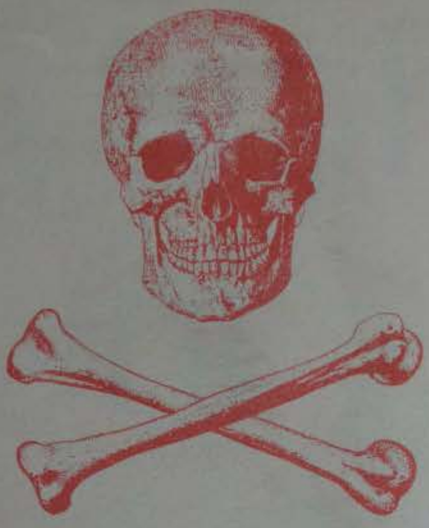

TREADMILL TO OBLIVION

(BUY NOW - PAY NEVER)

BY

Merrill M. E. Jenkins Sr. M.R.

TREADMILL TO OBLIVION

(BUY NOW - PAY NEVER)

BY

Merrill M. E. Jenkins Sr. M.R.

PREAMBLE

I have heard every excuse expressed, from PUBLIC IGNORANCE to PUBLIC APATHY, concerning the deterioration of FREEDOMS in our United States. I cannot accept IGNORANCE because the public would have TO KNOW to ignore; nor can I accept APATHY for the same reason. It is my opinion that very few people would IGNORE or be APATHETIC towards the fact of their being slaves, in the positive sense, if they were ever exposed to that truth. It was introduced so gradually and with such surreptitiousness no one understood the change or was exposed to the significance of what was happening as truth became a scarce "commodity."

The public used to own the medium of exchange. The medium of exchange was gold coin. The paper tokens we used to represent gold coin by proxy during exchanges was able to redeem gold coin and WE THE PEOPLE supported government and directed its policies, BUT:

> "Gold in the hands of the public
> is an enemy of the state."
>
> Adolph Hitler

Study exhibit 1 to see the manner in which inqueries, concerning our money, are handled by our officials. "The term "lawful money" came into use...." (2nd paragraph, 1st sentence) "... came into use...." later on: "The reference to lawful money was dropped from Federal Reserve notes...." , But in paragraph 3 of exhibit 1 Mr. Vallarreal is saying Federal Reserve notes constitute

90% of all the money today and are "....lawful money."

In exhibit 2 Mr. Vallarreal does not feel any discomfort to admit that gold coin was the lawful money. "This will acknowledge your letter of December 3, 1974 with which you forwarded a $20 Federal Reserve note to be exchanged for lawful money. As you know, we have corresponded with you before."

"Under existing legislation it is unlawful for the U.S. Government to redeem any currency in gold."

No equivication at all; he asked for 'lawful money' and was answered: "it is unlawful....to redeem....in gold." Lawful money WAS gold coin current as money within the United States, but it is NOT NOW!

WHAT TOOK ITS PLACE?

WHAT IS THE MODERN MONEY?

WHAT AMOUNT OF IT IS A DOLLAR QUANTITY?

Congress tells us "Currency outstanding is backed by the goods and services produced by the economy", but the term 'BACKED' hides the fact that redemption in specie has been repudiated and the public's production is being expropriated. See exhibit 3.

We are told that Congress sets the value of the "money" they coin, but the only "coins" in use now are copper-nickel and their value is not set by "any official document." (exhibit 4, 2nd paragraph, last sentence).

Take a simple thing like money, everybody uses money; everybody knows that 'dollar' is a measurement of money, but no one

seems to know what money is, today, or what amount of it is a dollar quantity. Study exhibit 5 the last word of the first sentence in paragraph two is 'currency' which everyone accepts as meaning money! The quote from the Coinage Act of 1792 says the money shall be expressed in 'dollars.' The letter conveys the thought that the money, today, which everybody accepts is Federal Reserve notes, is the same as in 1792, but the last paragraph speaks of a Federal Reserve "note" as being WORTH a dollar of the money of account NOT as a Federal Reserve note being the money of account, which is contradiction and confusion.

When questioned on this point (exhibit 6) the answer (exhibit 7) says: "Money of account is officially coined or stamped metal currency....a technical definition for the terminology money of account was not stipulated in the Coinage Act of 1792." That Act did, however, specify what quantity of gold and what quantity of silver as money should be a 'dollar' quantity and since only the money of account shall be expressed in dollar units it holds that gold and silver coin was the "stipulated" money of account ("... coined or stamped metal currency) NOT PAPER!

In exhibit 8 we find "....that a dollar, literally, is a dollar's worth of the money of account of the United States, or United States currency." However, currency is, as established above (exhibit 7) coined or stamped metal gold or silver coins (gold and silver commodity coinage) which has not changed since 1792 (exhibit 5), but HAVE BEEN REMOVED from circulation, so the letter explains: "Money, as money rather than as a commodity, is

wanted...." What is money - that is not a commodity? Exhibit 8 continues (middle paragraph 4, page 1) "...which grants Congress the power to "coin money, regulate the value thereof..." Please refer back again to exhibit 4; "...the value is not fixed by any official document." Exhibit 8 continues on page 2 "The term "lawful money" has not been defined in Federal Legislation." Why not? However, in exhibit 1,a few years earlier Mr. Rudy Vallarreal had no difficulty in declaring: "....notes are issued pursuant to law and are, therefore, lawful money." Shortened: "...notes are..., lawful money.' which is confirmed in exhibit 8 (page 2, 1st paragraph, last sentence) "as a practical matter, Federal Reserve notes constitute almost the entire currency in circulation in the U.S. today." Shortened: "...Federal Reserve notes constitute...currency ...", But Federal Reserve notes are PAPER and exhibit 7 says again: "Money of account is officially coined or stamped metal currency..."

Exhibit 8 continues (page 2, paragraph2, 1st sentence) states: "Currency is not, as you suggest, the money of account of the United States." Shortened: "Currency is not....the money of account ...", but that is an absolute contradiction of exhibit 7 (2nd paragraph, 1st sentence) Shortened: "Money of account is....currency..." Then insult is added to confusion injury (exhibit 8, page2, Last paragraph) "I trust that your questions have been adequately answered, as this virtually exhausts the information we have on this subject." We are left with the same unanswered questions:

WHAT IS MONEY TODAY; WHAT IS MODERN MONEY?

WHAT AMOUNT OF IT IS A DOLLAR QUANTITY?

V

However, if we return to the last sentence of paragraph 2 on page 2 of exhibit 8: "Currency is, however, expressed in the money of account." we are being led into considering that: "Currency is... expressed in...money..."

Then currency is not money?
But since money is expressed in dollars that:
the expression 'dollar' is the money?????
But how can a WORD 'DOLLAR' be
the thing it measures???

AGAIN IF "CURRENCY IS NOT...MONEY..." EXHIBIT 8, BUT "MONEY... IS...CURRENCY..." EXHIBIT 7.......it leads to exhibit 9 asking: "....which of the above statements is correct,..."

Exhibit 10 states "in other words, dollars (and subdivisions thereof) are the money of account of the United States. Strictly speaking, currency is not the money of account, but is expressed in terms of the money of account, that is, it is expressed in terms of dollars." Shortened: "...dollars...are...money...currency is not... money...but it is expressed...in...dollars." In two sentences we have:

1 Dollars are money!

2 Currency is not money!

3 Currency is expressed in dollars!

But the Coinage Act of 1792, still in effect today ('exhibit 7' IN exhibits 5 and 10 saying: "The money of account of the United States shall be expressed in dollars..."
Now we have:

1.	Notes are money!	exhibit 1
2.	Gold is money!	" 2
3.	Goods and services are money!	" 3
4.	Money value is not fixed!	" 4
5.	Modern money is the same as in 1792!	" 5
6.	Money is currency!	" 7
7.	Currency is not money!	" 8 & 10
8.	Notes are currency!	" 8
9.	Money is expressed in dollars!	" 5 & 10
10.	Dollars are money!	" 10
11.	Currency is expressed in dollars!	" 10

Exhibit 1 & 2	Division of Cash Services Dept. of Treasury.
" 3.	United States Senate.
" 4.	Legal Dept. Federal Reserve Bank of Chicago.
" 5.	Special Financing Staff Dept. of Treasury.
" 6.	U.S. Citizen.
" 7.	Special Financing Staff Dept. of Treasury.
" 8.	Asst. General Counsel Fiscal Serv. Dept. of Treasury.
" 9.	U.S. Citizen.
" 10.	Asst. General Counsel Fiscal Serv. Dept. of Treasury.
" 11 & 12	To the President.
" 13	From the White House.
" 14	Some officials are helpful,
" 15-16 &17	others are not!
" 18 & 19	The Courts will not help!

That the courts will not help is very significant to the

writing of this book. The Federal Courts take the view that the 'MONEY HOAX' is political in nature, therefore, not a matter for the courts. I have been told to take the 'MONEY HOAX' up with Congress. I wanted you, the reader, to see the futility of acting on that advice. No one will do FOR us what WE THE PEOPLE must do for ourselves. I promised the last Federal Court Judge, that told me to take it up with Congress, again, that I would take it to the court of Public opinion. I chose the route of associating the 'MONEY HOAX' to the income tax issue because in thousands of years it has always been true that you cannot discuss taxes without discussing the means of payment.

I will state everything as simply as I can. I assure you that this is NOT MY issue; it is OUR issue. We are being expropriated out of all the results of our labors, our representative government, our unalienable rights guaranteed under constitutional law and everything else; we the people are no longer free we are slaves.

From the official documents it should be obvious that something extremely important for us TO KNOW is being KEPT from us. It concerns what, actually, is or is not money. It concerns what we think is or is not money. IT concerns the money and it is about time we concerned ourselves about what is or is not money. A study of exhibit 20 will make clear what the thing was, that we thought was money. It attempts to put into perspective gold certificates, silver certificates and Federal Reserve notes. It attempts to make clear why we thought these pieces of paper were the money and how the Federal Reserve notes were NOT the same as redeemable cer-

tificates, but *being accepted alongside them as their equal for years,* BEFORE *having their specie redemptive powers removed,* allowed them to replace the gold and silver certificates without notice.

Exhibit 21 extends the perspective to include the modern, as yet, unspecified money of account. The imaginary, mysterious, everybody uses, but nobody knows what it is, medium of exchange.

Exhibit 22 literally speaks for itself and also makes clear that the mystery is still there. LET'S CLEAR IT UP!

MONEY: Was and still is anything WITHOUT parity accepted during an exchange.

Barter: Was and still is anything WITH parity accepted during an exchange.

When gold and silver coin were called money it was an improper application of the term 'money'; they were barter used as mediums of exchange!

Medium of exchange: Anything accepted in exchanges for use in subsequent exchanges.

Parity: The value of any one thing expressed in terms of another; equal worth or value.

If my simple definitions appear TOO simple; if it is your first thought that it could not be that simple and have gotten as messed up as the official documents indicate; then please read: "FREE MONEY" in which the validity of my definitions is confirmed.

This book is involved with how we are controlled, almost completely, and the ultimate destruction the means of that control will inflict upon the Earth and its population.

There is nothing sinister about a medium of exchange as long as it is barter. IT is when the nature of the medium of exchange changes to money per se that the users and holders of money become slaves to its creators and issuers and the beginning of the end commences to be a TREADMILL TO OBLIVION.

DEPARTMENT OF THE TREASURY
FISCAL SERVICE

BUREAU OF GOVERNMENT FINANCIAL OPERATIONS
WASHINGTON, D.C. 20226

October 16, 1974

Registered Mail

Mr. Arthur Lozins
Trustee
Artmark Chicago, Ltd.
1801 West Diversey Parkway
Chicago, Illinois 60614

Dear Mr. Lozins:

This will acknowledge your letter of October 8, 1974, with which you forwarded a $20, Federal Reserve note to be exchanged for lawful money.

The term "lawful money" came into use prior to 1933 when some United States money lawfully in circulation was not legal tender. It no longer has special significance because the Act of May 12, 1933, as amended by the Joint Resolution of June 5, 1933, provided that all United States coins and currencies should be legal tender. This provision was reaffirmed by the Coinage Act of July 23, 1965. The reference to lawful money was dropped from Federal Reserve notes in 1963 because it had not had a significant meaning for many years. The United States Constitution does not make any reference to the term.

Federal Reserve notes are redeemable for any currency and coin that is available. Since they constitute over 99% of all currency in circulation and over 90% of all currency and coin, they can be exchanged only for other Federal Reserve notes for the most part. These notes are issued pursuant to law and are, therefore, lawful money.

Your note is returned herewith.

Sincerely yours,

Rudy Villarreal

R. Villarreal
Director (Acting), for
Division of Cash Services

EXHIBIT 1

IN REPLYING QUOTE:

DEPARTMENT OF THE TREASURY
FISCAL SERVICE
BUREAU OF GOVERNMENT FINANCIAL OPERATIONS
WASHINGTON, D.C. 20226

January 2, 1975

Registered Mail

Mr. Arthur Lozins
Trustee
Artmark Chicago, Ltd.
1801 West Diversey Parkway
Chicago, Illinois 60614

Dear Mr. Lozins:

This will acknowledge your letter of December 3, 1974 with which you forwarded a $20 Federal Reserve note to be exchanged for lawful money. As you know, we have corresponded with you before.

Under existing legislation it is unlawful for the U.S. Government to redeem any currency in gold. On January 30, 1934, the Congress enacted a law which provides: "No gold shall after January 30, 1934, be coined and no gold shall after January 30, 1934, be paid out or delivered by the United States." Currency may be exchanged at the option of the holder, dollar for dollar, in any coins or currency which may be lawfully acquired and which are available for that purpose.

On March 25, 1964, the Secretary of the Treasury announced that, pursuant to the Act of June 4, 1963 (31 U.S.C. 405a-1, 1964 ed.) Currency would no longer be redeemable for silver dollars. This action was taken because the remaining silver dollars (about 3 million) at the Treasury had high numismatic values, and an equitable distribution of them could not be made.

The Act of June 24, 1967 (31 U.S.C. 405a-3, 1970 ed.) provided that silver certificates would be exchanged for silver bullion only until June 24, 1968, thereafter currency could be redeemable only from any moneys in the general fund of the Treasury not otherwise appropriated.

We hope this information is helpful. Your $20 note is returned herewith by registered mail.

Sincerely yours,

Rudy Villarreal

Rudy Villarreal
Director (Acting), for Division of Cash Services

EXHIBIT 2

United States Senate

COMMITTEE ON APPROPRIATIONS

WASHINGTON, D.C. 20510

November 14, 1974

Mr. Merrill Jenkins
11591 Joslyn Court
St. Louis, Missouri 63138

Dear Mr. Jenkins:

Thank you for your recent letter.

Currency outstanding is backed by the goods and services produced by the economy. While it is clear that an increase in money which exceeds the increase in production will be inflationary, it does not follow that printed money has any less value because it is paper rather than coin. There is no expropriation of wealth in this process. In fact, were we to return to a gold standard or to a barter system, the entire world financial system might collapse.

Sincerely yours,

Thomas F. Eagleton
United States Senator

TFE:ack
cc: Mel Jones

EXHIBIT 3

FEDERAL RESERVE BANK OF CHICAGO
230 SOUTH LASALLE STREET
CHICAGO, ILLINOIS 60690
(312) 322-5322

LEGAL DEPARTMENT

February 2, 1978

Mr. Merrill M. E. Jenkins Sr. M.R.
AMVAC, INC.
11591 Joslyn Court
St. Louis, Missouri 63138

Dear Mr. Jenkins:

Please excuse my delay in responding to your letter of December 28, 1977, in which you ask for an official copy of a document which verifies the "commodity value" of the various U. S. coins.

You should be advised that no one at this Reserve Bank is aware of any such document. In addition, it is my understanding that the "commodity value" of the coins fluctuates depending on the current market price of the metal components. In other words, the value is not fixed by any official document.

Statutes do establish the contents of clad coins and their dimensions. From the copy of 31 U.S.C. 391, enclosed with this letter, you may be able to determine for yourself the current "commodity value" of the U. S. coins.

Very truly yours,

William M. Lloyd
William M. Lloyd
Assistant Counsel

WML:cwr

EXHIBIT 4

DEPARTMENT OF THE TREASURY

FISCAL SERVICE

IN REPLYING QUOTE: BCM/SFS

BUREAU OF GOVERNMENT FINANCIAL OPERATIONS

WASHINGTON, D.C. 20226

JUL 29 1977

Mr. Tim Weir
14804 Dorrance
Bridgeton, Mo. 63044

Dear Mr. Weir:

Your inquiry dated July 8, addressed to the Secretary of the Treasury concerning the modern money account of the United States has been referred to this office for reply.

The Coinage Act of 1792 established the dollar as the basic unit of United States currency. The Act provided that "The money of account of the United States shall be expressed in dollars or units, dimes or tenths, cents or hundredths,...." (13 U.S.C. Sec 371). The Coinage Act has not been rescinded by Congress; therefore, your terminology the "modern" money of account is, in effect, the same money of account that was specified in the Coinage Act.

In respect to your second question, Federal Reserve Notes are worth only their face value when used as a medium of exchange; therefore, a one dollar Federal Reserve note would only be worth a dollar in the money of account of the United States.

I hope the foregoing information satisfies your inquiry.

Very truly yours,

D. H. McGrath, Jr
Director, Special Financing Staff

EXHIBIT 5

Tim Weir

Manufacturer's Representative

~~134 North 78th Street,~~
~~Belleville, Illinois 62223~~
~~618/398-5300~~

1 Aug 77
14804 Dorrance
Bridgeton,Mo. 63044

BCM/SFS
Mr. D.H. McGrath, Jr.
Director, Special Financing Staff
Department of the Treasury
Fiscal Service
Bureau of Government Financial Operations
Washington, D.C. 20226

Dear Mr. McGrath:

I understand from your quotation of the Coinage Act of 1792 that the"money of account of the United States shall be expressed in dollars....(emphasis mine).

Since a Federal Resrve Note is only legal tender currency,I still require an answer to my basic question as originally posed to Mr. Blumenthal, to wit: what is the money of account of the United States?

What was the original money of account as stipulated by the Coinage Act of 1792?
What is meant by your statement that "the 'modern' money of account is, in effect, the same money of account that was specified in the Coinage Act"? What do you mean "in effect"? Either it is the same money of account or it is not. Please amplify.

I know that you must be a very busy man, but I sincerely want to thank you for assisting me in gathering this information.

Finally, just what is the function of your Special Financing Staff?

Sincerely,
Tim Weir
Tim Weir

cc: Rep. R. Young

EXHIBIT 6

DEPARTMENT OF THE TREASURY

FISCAL SERVICE

BUREAU OF GOVERNMENT FINANCIAL OPERATIONS

WASHINGTON, D.C. 20226

IN REPLYING QUOTE: BCM/SFS

AUG 18 1977

Mr. Tim Weir
14804 Dorrance
Bridgeton, Mo. 63044

Dear Mr. Weir:

This responds to your letter dated August 1, requesting more explicit answers concerning the money of account of the United States.

Money of account is officially coined or stamped metal currency generally accepted as a medium of exchange. A technical definition for the terminology money of account was not stipulated in the Coinage Act of 1792. The only stipulation in the Act was the regulating of our monetary system. As stated in our letter of July 29, this Act has not been rescinded by Congress, therefore, the same monetary system that was established on April 2, 1792 is in effect today.

In respect to your last question, the Special Financing Staff monitors the flow of cash advances under Federal grants, develops guidelines to ensure the application of sound cash management principles, monitors the flow of tax deposits into Treasury's operating accounts at the Federal Reserve Banks, maintains regulations concerning the cancelling, verifying, destroying and accounting of Federal Reserve notes and Treasury currency no longer fit for circulation. We also respond to public, Congressional, and White House correspondence relating to the history of U. S. currency.

We hope the foregoing information satisfies your inquiry.

Very truly yours,

Bruce A. Budlong

Bruce A. Budlong
Acting Director, Special Financing Staff

EXHIBIT 7

DEPARTMENT OF THE TREASURY
OFFICE OF THE GENERAL COUNSEL
WASHINGTON, D.C. 20220

AUG 5 1977

Dear Mr. Weir:

I am replying to your letter to me of July 26, requesting further information on the United States monetary system.

You ask what the term "dollar" measures. From the portion of the Coinage Act of 1792 (31 U.S.C. section 371) to which you refer -- "the money of account of the United States shall be expressed in dollars or units" -- it is evident that a dollar, literally, is a dollar's worth of the money of account of the United States, or United States currency.

More practically speaking, however, a dollar represents a dollar's worth of purchasing power. In his text, Economics, Professor Paul Samuelson notes that the dollar is a medium of exchange, serving to facilitate the transfer of goods and services. According to Samuelson, "Money, as money rather than as a commodity, is wanted not for its own sake but for the things it will buy" (9th edition, pages 269-290).

You also express concern that the powers of Congress are not broad enough to cover the establishment of the Federal Reserve system or the issuance of paper currency. However, it is a legally well-settled principle that under Article I, section 8 of the Constitution, to which you refer, which grants Congress the power to "coin money, regulate the value thereof and of foreign coin . . ." as well as under powers granted under the "necessary and proper" clause, Article I, section 8, clause 18, the Congress has broad powers in the monetary field. The exercise of this constitutional power of Congress has been repeatedly upheld by the Supreme Court. See Legal Tender Cases (Knox v. Lee), 12 Wall. 457, 549 (1871); Legal Tender Case (Juilliard v. Greenman), 110 U.S. 421, 449 (1884); see also Nortz v. United States, 294 U.S. 317 (1935).

The term "lawful money" has not been defined in Federal legislation. It came into use prior to 1933 when some United States money lawfully in circulation was not legal tender. However, it no longer has special significance since section 102 of the Coinage Act of 1965 provides that "All coins and currencies of the United States . . . shall be legal tender for all debts, public and private . . ." (31 U.S.C. 392) and the Joint Resolution of August 27, 1935 provides for the free exchange of United States coins and currencies. Thus, upon presentation at the United States Treasury, any Federal Reserve notes may be exchanged dollar for dollar in any coins or currencies of the United States which may be lawfully acquired and which are available for that purpose. As a practical matter, Federal Reserve notes constitute almost the entire currency in circulation in the U.S. today.

Currency is not, as you suggest, the money of account of the United States. Currency is, however, expressed in the money of account.

Finally, you ask when the Second Amendment of the IMF Articles of Agreement will take effect. These amendments will enter into force when 60% of the number of IMF having 80% of the total voting power in the IMF agree to it. This is expected to occur at the end of this year.

I trust that your questions have been adequately answered, as this virtually exhausts the information we have on this subject.

Sincerely yours,

Russell L. Munk

Russell L. Munk
Assistant General Counsel

Mr. Tim Weir
Manufacturer's Representative
14804 Dorrance
Bridgeton, MO 63044

EXHIBIT 8

14804 Dorrance
Bridgeton,Mo. 63044
11 Aug 77

Mr. Russell L. Munk
Assistant General Counsel
Department of the Treasury
Washington, D.C. 20220

Dear Mr. Munk:

Thank you for your reply of 5 August.

This letter is prompted by the following extracts from that latest letter.

> "...it is evident that a dollar, literally, is a dollar's worth of the money of account of the United States, or United States currency."

That quotation is your's from page 1, paragraph 2 of your 2 page letter. The second paragraph of page 2 is quoted in its entirety below.

> "Currency is not, as you suggest, the money of account of the United States. Currency is, however, expressed in the money of account."

These contradictory statements are brought to your attention since I assume that a clerical error in dictation, transcription and proof reading resulted in their inclusion in your letter.

Finally, if you will please be so kind as to identify for me which of the above statements is correct, it may help provide the answer to what has proven to be a difficult question - what is the money of account of the United States?

Again, I thank you for your assistance and I look forward to your reply.

Sincerely,

Tim Weir

Tim Weir

cc: R. Young M.C.

THE DEPARTMENT OF THE TREASURY
OFFICE OF THE GENERAL COUNSEL
WASHINGTON, D.C. 20220

AUG 22 1977

Dear Mr. Weir:

Thank you for your letter of August 11 concerning my previous letter. I am sorry for any confusion that my letter may have caused you.

In your letter, you posed the question -- what is the money of account of the United States? As I mentioned in my August 5 letter, the Coinage Act of 1792 states that "the money of account of the United States shall be expressed in dollars or units." On reflection, I believe that it is accurate to equate dollars and the money of account of the United States. In other words, dollars (and subdivisions thereof) are the money of account of the United States. Strictly speaking, currency is not the money of account, but it is expressed in terms of the money of account, that is, it is expressed in terms of dollars.

I hardly need point out that the distinctions made in the preceeding paragraph are rather finely drawn. In general, the terms "dollars", "United States currency" and "money of account of the United States" are used interchangeably, and this does not appear to be a source of great confusion with respect to the U.S. monetary system.

I hope that the above discussion is responsive to your question.

Sincerely,

Russell L. Munk
Russell L. Munk
Assistant General Counsel

Mr. Tim Weir
Manufacturer's Representative
14804 Dorrance
Bridgeton, MO 63044

EXHIBIT **10**

Merrill M.E. Jenkins Sr. M.R.
11591 Joslyn Court
St. Louis, Missouri 63138
December 9, 1977

President of the United States
The White House
Washington, D. C.

Dear Mr. President:

A Federal Reserve "Note" is labelled 'Note' (1) and bears a monetary denomination as one 'Dollar', (2) it is accepted as being 'Money', (3) a unit of United States 'Currency', (4) and functions as a 'Bearer Certificate' (5) for the public's goods and services.

(1.) It cannot be a 'Note' since it does not stipulate payment of anything, to anyone, by anyone at any time!

(2.) It is not a 'Dollar'; 'Dollar' is an expression of quantity of silver or gold in coinage, "....which shall by law be current as money within the United States....".

(3.) It is not 'Money'; 'Money' is an abstract term for a medium of exchange; the paper token cannot be the thing it represents by proxy!

(4.) It is not 'Currency'; only a medium of exchange itself can be 'Currency'; the paper token cannot be the thing it represents by proxy!

(5.) It is not a 'Bearer Certificate' since it is not a "claim check" on anything on deposit!

Being non-redeemable but accepted as a claim on the public's goods and services it represents a 100% confiscation of the public's wealth without compensation. Can you offer an explanation that will justify this unconstitutional procedure?

A concerned citizen,

Merrill M.E. Jenkins Sr. M.R.

Merrill M.E. Jenkins Sr. M.R.

EXHIBIT **11**

Merrill M. E. Jenkins Sr. M.R.
11591 Joslyn Ct.
St. Louis, MO. 63138
December 16, 1977

President of the United States
White House
Washington, D.C. 20500

Ref: St. Louis Post Dispatch Article 12-11-77
By James Deakin Washington Correspondent
"Wanted: Economic plan to please everyone."

Dear Mr. President:

When all that a monetary system has to offer has been tried and the conditions have continued to deteriorate, it is time to realize a change of system is in order.

Our economic ills could be returned to the full bloom of health by a well known procedure. If however, we allow a monetary crash to occur, it cannot result in anything by chaos and misery for our great nation and those of the rest of the world. There are a series of steps that could be taken that would return our nation to a sound "monetary" basis without the terribly destructive effects of "hyper-inflation". If followed this implementation would return our nation to the policy directions of its public and serve as an excellent guide for other nations.

I have no real hope that this letter will be accepted and answered in the manner I wish. It is offered only in the hope that someone may yet 'see the light' and wish that an honest, good faith answer to our plight were available, and accept my offer to provide the solution.

Please advise if there is any interest at all.

Sincerely,

Merrill M. E. Jenkins Sr. M.R.

Merrill M. E. Jenkins Sr. M.R. (Monetary Realist)

EXHIBIT **12**

THE WHITE HOUSE

WASHINGTON

December 22, 1977

Dear Mr. Jenkins:

Thank you for your recent message to President Carter and for taking the time to share your thoughts with him.

Your views are most welcome and appreciated.

With the President's best wishes,

Sincerely,

Landon Kite

Landon Kite
Staff Assistant

Mr. Merrill M. E. Jenkins, Sr.
11591 Joslyn Court
St. Louis, Missouri 63138

EXHIBIT 13

JAMES W. SYMINGTON
2ND DISTRICT, MISSOURI

Congress of the United States
House of Representatives
Washington, D.C. 20515

November 9, 1971

Mr. Merril M. Jenkins
AVMAC, Inc.
11591 Joslyn Court
St. Louis, Missouri 63138

Dear Mr. Jenkins:

I enjoyed our conversation over the weekend, and in light of our talk, I thought you would be interested in the attached.

Sincerely,

James W. Symington

JWS: nh

EXHIBIT 14

EDWARD M. KENNEDY
MASSACHUSETTS

United States Senate

WASHINGTON, D.C. 20510

July 13, 1978

Mr. Merril M.E. Jenkins
29 Meremac Suite
Clayton, MO

Dear Mr. Jenkins:

Thank you very much for your recent letter.

It has been a long tradition and Congressional courtesy to refer correspondence from another state to one of the Senators from that state. This gives each member of Congress the opportunity to be of service to the constituents they directly serve.

For this reason, I am sure you understand why I am forwarding your correspondence to Senator Eagleton from your state. Adding my hope that the matter can be resolved to your satisfaction as soon as possible.

Again, I appreciate your taking the time to contact me.

Sincerely,

Edward M. Kennedy

2400 John F. Kennedy Federal Building
Government Center
Boston, Massachusetts 02203

EXHIBIT 15

MURIEL HUMPHREY
MINNESOTA

United States Senate

WASHINGTON, D.C. 20510

May 31, 1978

Mr. Merrill Jenkins, Sr.
29 No. Meramec, Suite 109
Clayton, MO 63105

Dear Mr. Jenkins:

Thank you for your letter. I do appreciate your bringing this matter to my attention.

Since each member of the Senate appreciates the opportunity to be of assistance to his own constituents, I have taken the liberty of sending your letter to Senator Eagleton. I am sure he will do what he can to assist you.

With best wishes.

Sincerely,

Muriel Humphrey

Muriel Humphrey

Thank you for your recent correspondence addressed to this office.

Due to Congressional courtesy, your letter has been forwarded to your state's U. S. Senator for response.

Sincerely,

Jacob K. Javits, U.S.S.

Senator Eagleton

EXHIBIT 16

FEDERAL RESERVE BANK
OF ATLANTA
ATLANTA, GEORGIA 30303

RESEARCH DEPARTMENT

December 15, 1977

Mr. Merrill M. E. Jenkins, Sr., M.R.
Amvac, Inc.
11591 Joslyn Court
St. Louis, Missouri 63138

Dear Mr. Jenkins:

In response to your letter of December 8 and your subsequent conversations with a member of our staff here, we understand that you have also been in touch with individuals at the Federal Reserve Bank of St. Louis and suggest that you pursue your questions with them. Each Federal Reserve Bank serves primarily the public within its own District.

Sincerely,

Nancy Rhodes

Nancy Rhodes
Manager - Research Operations

EXHIBIT 17

Judge uses country boy logic, money is...money

By WILLIAM POE
Globe-Democrat Staff Writer

What is money, and what are dollars?

Those were the questions facing U.S. District Judge H. Kenneth Wangelin Tuesday as he weighed a Ballwin doctor's contention that the money he earns is not taxable because dollars lack an officially designated "money of account" such as gold or silver.

The case centers around the attempts of the Internal Revenue Service to obtain various records being held at five area financial institutions concerning the income of Dr. Paul A. Hein Jr. for 1976 and 1977.

Hein signed an affidavit stating he has no income tax liability for 1976 and 1977, but the IRS thinks otherwise.

PATRICK J. FINNESSEY, a special agent for the IRS's criminal investigation division here, issued administrative summonses last September seeking to force five banks and savings and loan associations to turn over various Hein financial records.

The IRS said the records were necessary to ascertain Hein's correct income tax liability.

However, Hein, contending the bank records reflect only non-taxable debts, gave written notice to the financial institutions two days later instructing them not to comply with the IRS summonses.

The IRS then countered in January with a petition to get a court order enforcing the IRS summonses, and the whole thing ended in Wangelin's lap Tuesday.

WANGELIN, DECLARING himself "a country boy" before his packed courtroom, reached into his own hip pocket to tender his tentative decision refusing to quash the IRS summonses.

After hearing Hein's attorney state that "paper money is only symbolic," Wangelin took from his billfold a $1 bill, a $5 bill, a $10 bill and a $20 bill and said he would apply his own "country-boy logic" to what dollars actually represent.

From each federal reserve note, Wangelin read the inscription printed on each: "This note is legal tender for all debts, public and private."

HE FURTHER SAID that fluctuations in the price of gold were not at issue; indicating that "greenbacks" are a perfectly good legal tender and are worth what they say they are worth.

Hein, who lives at 339 Meadowbrook Lane, refutes the government's position that he is "a tax protestor" and said in a Jan. 2 letter to the IRS, "I certainly do not intend to commit any crime and stand ready to pay my taxes."

Wangelin refused Hein's request that IRS access to the bank records be denied but stayed his final order pending the submission of additional legal briefs.

EXHIBIT 18

Dollar Question Makes No Sense To U.S. Judge

By EDWARD H. KOHN
Of the Post-Dispatch Staff

What's a dollar?

On its face, the answer seems simple enough. But the simple answer doesn't satisfy Dr. Paul A. Hein Jr. of Ballwin.

On Tuesday, Hein asked U.S. District Judge H. Kenneth Wangelin to order the Internal Revenue Service to tell him precisely what a dollar is and what it measures.

He didn't get very far. Wangelin tentatively rejected his motion but gave him six days to muster his case.

The IRS has subpoenaed information about Hein's finances from five area banks and savings and loan associations. The federal agency wants to learn whether the physician owes any taxes for 1976 and 1977.

Hein says the IRS should be required to define the terms "dollar" and "money of account" before it is allowed to look at his records.

Hein's attorney, W. William Wilson, told Wangelin that under the Coinage Act of 1792, the "money of account" of the United States is gold and silver coin, not the Federal Reserve notes that generally are called dollars.

"Paper money is only symbolic," Wilson said. He added that he was unsure of precisely what a Federal Reserve note really is and that the IRS had been unwilling to define it for Hein.

Wangelin was unswayed. He pulled several Federal Reserve notes from his wallet, and to the muted laughter of spectators, read from each that it is "legal tender for all debts, public and private."

The judge said, "You just can't buy goods (with dollars) and then refuse to pay the government and interfere with the government and the Internal Revenue System."

EXHIBIT 19

$1 GOLD CERTIFICATE

CLAIM CHECK → "CURRENCY" → LEGAL TENDER AS: BEARER CERTIFICATE REPRESENTING BY PROXY →

UNIT QUANTITY EXPRESSED AS: → DOLLAR → WEIGHT AND PURITY 1/35th. Ounce .999 fine →

MEDIUM OF EXCHANGE → MONEY OF ACCOUNT → TANGIBLE COMMODITY → GOLD

$1 SILVER CERTIFICATE

CLAIM CHECK → "CURRENCY" → LEGAL TENDER AS: BEARER CERTIFICATE REPRESENTING BY PROXY →

UNIT QUANTITY EXPRESSED AS: → DOLLAR → WEIGHT AND PURITY 412 grains .999 fine →

MEDIUM OF EXCHANGE → MONEY OF ACCOUNT → TANGIBLE COMMODITY → SILVER

$1 ? FEDERAL RESERVE NOTE

~~CLAIM CHECK~~ → ~~"CURRENCY"~~ → LEGAL TENDER ~~AS: BEARER CERTIFICATE REPRESENTING BY PROXY~~

~~UNIT QUANTITY EXPRESSED AS:~~ → ~~DOLLAR~~ → ~~WEIGHT AND PURITY~~ ? ?

~~MEDIUM OF EXCHANGE~~ → ~~MONEY OF ACCOUNT~~ → ~~TANGIBLE COMMODITY~~ → ?

EXHIBIT 20

"MONETIZED"-GOLD MONETARY SYSTEM

UNITED STATES:		EXPRESSED IN:		REPRESENTED BY: LEGAL TENDER:
MONEY		DOLLARS		"CURRENCY"
TANGIBLE COMMODITY AS LEGAL MEDIUM OF EXCHANGE.		WEIGHT & PURITY AS BASIC UNIT OF		BEARER CERTIFICATE ACTING BY PROXY REPRESENTING
GOLD	=	1/35th ounce .999 fine.	=	$1 gold certificate bearer claim on 1/35th ounce of gold.
SILVER	=	412 grains .999 fine	=	$1 silver certificate bearer claim on 412 grains silver.
NOT SPECIFIED BECAUSE	=	NO WEIGHT OR PURITY BECAUSE		FEDERAL RESERVE NOTE <u>NO</u> <u>CLAIM</u> ON ANYTHING.
'X' ?? MODERN MONEY	=	NO WEIGHT OR PURITY BECAUSE		NOT REPRESENTED BY ANY CURRENCY.
'X' ?? MODERN MONEY NOT SPECIFIED	=	NO WEIGHT OR PURITY SPECIFIED	=?	(HOW MANY) FEDERAL RESERVE NOTES

There must be a United States money of account expressed in dollars, because the Internal Revenue Service bases the individual's tax liability on the number of 'dollars' received and other information. To determine tax liability, the taxpayer must know:

1. What the new United States money of account is, by specification, and
2. What the weight & purity of a unit dollar's **quantity** of it is, by specification.

In lieu of the above, if it is not forthcoming, he must then know what the Federal Reserve Note represents by weight & purity, along with how many Federal Reserve Notes equal one dollar's worth of the new UNDISCLOSED United States money of account.

EXHIBIT **21**

What Is Money? Does The U.S. 'Make' It?

P 3E S.L. Post Tues Dec 27-1977

By United Press International

Although Americans write checks and use credit cards for many "money" transactions, the banking process by which money is "created" remains shrouded in professional mystique that is incomprehensible to many. Does the government "print" money? What determines the "money supply?" Are checks money? The Federal Reserve Bank of New York answers these and other questions about money.:

Does the government reduce money's value by printing too much currency?

The Bureau of Engraving and Printing in Washington, D.C., a unit of the Treasury, prints the nation's currency, but it does so on orders from the 12 Federal Reserve Banks. The Fed, the U.S. Central Bank, bases its "orders to print" mainly on estimates of commercial bank and public cash demands.

Then, in effect, doesn't the Fed control the amount of currency in circulation?

"MONEY is NOT the "CURRENCY!"..........

The Fed doesn't control the amount of "currency" in circulation. What it does do is control the amount of "money" in circulation. Since most U.S. money is checkbook money, the printing presses have little to do with the buying power of money. The Fed maintains money's value through control over commercial banks that create checkbook balances.

"MONEY"is an intangible it hasn't any value at all!

The FED. CANNOT control the volume of "MONEY"!

The Fed controls the money supply in several ways: It requires member commercial banks to keep reserves in their vaults or balances at their district Reserve Bank. By raising or lowering the percentage of reserves that must be held it increases or reduces the lending ability of member banks. Through changes in the interest rate it charges member banks for short-term loans the Fed makes them more or less attractive to member banks.

The Fed also buys and sells government securities, called "open market operations." When the Fed wants to increase the money supply, it buys securities — paying with checkbook money that goes into circulation. When it wants to tighten the money supply, it sells securities — taking money out of circulation.

The FED. "buys" with 'credit' ("money") IT creates!!

Is checkbook money "created" by currency deposits?

Commercial banks create checkbook money whenever they grant a loan, simply by adding new deposit dollars to accounts on their books in exchange for the borrower's IOU. Loans are either "secured," backed by valuable items the borrower owns, or "unsecured," backed by the individual's or company's earnings record or credit worthiness.

Borrower's debt is "MONETIZED!"

Both totally intangible!

Banks create money by "monetizing" these debts — that is they create amounts of money against the value of these IOUs. However, banks must have excess reserves to back these loans. To keep the amount of reserves required, either by the Federal Reserve of member banks or by state regulatory agencies, banks will usually borrow from other banks. Member banks can borrow from the Fed.

"MONETIZING" debt is impossible - debt and "money" are opposites!

WHAT EXCESS RESERVES?

Are Checks Money?

Checks aren't money in themselves. They are simply order forms instructing banks to move checkbook deposits, which are money, from one account to another. Banks don't keep cash in checking accounts and don't transfer currency or coin when acting on a check's instructions. Checkbook deposits are transferred between accounts and banks as bookkeeping entries only. In 1977, the nation's 14,600 commercial banks held about 230 billion dollars of checkbook deposits for individuals, businesses and governments.

"MONEY"never leaves the confines of the banking system--only the tokens that represent it.

"MONEY" only "EXISTS" as records in books!!

Are Credit Cards Money?

Credit cards are not a form of money — but a form of loans in which the user obtains goods and services by promising to pay the credit card company. Since many cardholders have a "credit line," a maximum amount the issuer will lend them, some economists believe lines of credit given on credit cards should be part of the nation's "money supply" which is a measure of the amount of money the public has available for immediate spending. They argue that many spending decisions are based not just on the amount of cash and checkbook money people have, but by the availability of credit.

If it "PURCHASES" is it not purchasing power or "MONEY"??

If you do not intend to immediately spend it--it isn't "MONEY??"

CASH
CK.BK.MONEY
CREDIT

Three different words--but only one item "MONEY" (PURCHASING POWER)

EXHIBIT 22

TREADMILL TO OBLIVION

(BUY NOW - PAY NEVER)

BY

Merrill M. E. Jenkins Sr. M.R.

XXXIV

FOREWORD

Perhaps the title of this book seems a bit unusual, but it should seem very familiar. Reduced to the simplest language using most familiar terminology it is exactly the philosophy of the "Space" age. Everybody is doing it "BUYING" now to "PAY" never. Just as we vote for one thing and get another so it is with our "SPENDING" we think we are "PAYING" when in fact we are not! If you do not understand - that is the reason for this book.

> "DEBT - PUBLIC AND PRIVATE - IS HERE TO STAY....WHAT IS REQUIRED IS NOT THE ABOLITION OF DEBT, BUT ITS PRUDENT USE AND INTELLIGENT MANAGEMENT."
>
> P. 33 Fed. Pub. "Two Faces of Debt"
> Free on request: Chicago Fed. Res. Bnk.

BUY NOW! PAY NEVER!

All the "currencies" (paper tokens accepted as "money") of the world are "floating" and the entire world is drowning in debt. All "currencies" are 'FIAT' but the public of the world does not seem to understand the significance of that. "Currency" has always been the "claim check" for the 'medium of exchange' it represented. Like a warehouse certificate the paper token unit had to be redeemable to maintain a stable parity relationship with goods and services.

It was not the paper token that maintained the stable parity it was the commodity, that the paper token redeemed that maintained the parity relationship. But since the paper token unit was the physical thing (issued against a given commodity held for its redemption) that changed hands it became accepted as being as good as the commodity that it redeemed.

Because the paper token ("dollar bill") was the physical thing handled and it remained the physical thing handled, after its specie redemptive powers were removed; the significance of specie-redemption-removal (issued without any commodity held for its redemption) went unrealized. The paper tokens ("dollar bills") themselves became accepted as the 'mediums of exchange' and the fact that they were 'FIAT' (non-redeemable) did not seem to hinder their use as "mediums of exchange." It seemed as though "currency" did not have to be worth anything to function as a medium of exchange.

THIS FALSE PREMISE TOOK ON THE CLOAK OF CREDIBILITY BY THE VERY NATURE OF THE REASONABLE AND LOGICAL SUPERSTRUCTURE THAT WAS BUILT UPON IT. "CURRENCY" WAS ONLY A *medium of exchange* THAT EACH INDIVIDUAL HAD TO WORK FOR; TO OBTAIN IT FROM ANYONE ELSE, THEREFORE ALL INDIVIDUALS EXPECTED EVERYONE ELSE TO WORK TO GET IT FROM THEM. A REASONABLE AND LOGICAL CONCLUSION.

Who realizes that the ENTITY that creates the "money" "pays" ALL EXPENSES of that creation WITH part of the "money" created and gets ALL ITS "money" for nothing?

Who realizes that "currency" worth nothing, being accepted by producers for their goods and services is a drain on production and a creator of accelerating cumulative debt that can never be paid?

How is it possible for a system like this to exist and continue to go on without anyone exposing it? How can bankers and accountants continue to use the system every day without seeing it for what it is? The illogical, unreasonable premise built to hide the true nature of "MODERN MONEY" is as quoted above: *"CURRENCY" DOES NOT HAVE TO BE REDEEMABLE TO FUNCTION AS A MEDIUM OF EXCHANGE.* Bookkeeping and accounting procedures require that there be assets as well as liabilities to make the system function. What asset can be represented by a non-redeemable "currency?" The answer lies in the very nature of the "currency" itself, being non-redeemable it causes debt, and debt in the form of OBLIGATIONS-TO-PAY by BORROWERS is the modern justification for the issuance of "currency." Debt which is a liability, when used as the COLLATERAL for the issuance of "currency" becomes an asset as a borrower's OBLIGATION-TO-PAY in bookkeeping and accounting. This twist by which debt (a liability) becomes money (an asset) in accounting carries with it some strange conclusions.

Modern "currencies" of the world are issued on public and private debt collateral in the form of Government bonds, private notes and commercial paper. The amount of "currency" issued is equal to the amount of debt offered by the borrower. The more

debt incurred the more money received by the borrower therefore:

THE DEEPER IN DEBT ONE GOES THE RICHER THEY BECOME!

The above is a totally irrational conception that appears to be rational only if one accepts that there is no intention of anyone ever paying-off the debts.

> "Debt - public and private - is here to stay....What is required is not the abolition of debt, but its prudent use and intelligent management."
>
> supra

> "In addition to securities, the federal government issues noninterest-bearing debt-currency or paper money. Currency is so widely accepted as a medium of exchange that most people do not think of it as debt.
>
> Page 6 "Two Faces of Debt" Free on Request Chicago Federal Reserve Bank.

USING DEBT AS MONEY CREATES A THOROUGHLY CONFUSING DILEMNA CALLED "MONETIZED DEBT."

Normal concept is that debt is a liability and money is an asset. When debt is money - liabilities are assets and bookkeeping no longer determines net worth, but simply records transfers of OBLIGATIONS-TO-PAY. Obligations-to-pay are not final payment therefore "MONETIZED DEBT" results in a run-a-way accumulation of debt THAT CAN NEVER BE SETTLED!

A warehouse receipt for PEAS, COULD NOT redeem BANANAS. A warehouse receipt for BANANAS, COULD NOT redeem PEAS. In our

former "MONETARY" system, a GOLD CERTIFICATE COULD redeem SILVER, a SILVER CERTIFICATE COULD redeem GOLD and the Banker's created 'CREDIT' COULD redeem GOLD or SILVER from deposit. This FRAUDULENT procedure was made possible by the symbol ($) representing the *quantity specification "DOLLAR"* mistakenly accepted as an ENTITY, thereby removing all respective identity of things deposited.

Modern money, based on debt, referred to and measured in terms of 'dollars' and without redemptive powers on any commodity only serves to represent the RIGHT to TRANSFER OBLIGATIONS-TO-PAY. A transferred obligation-to-pay CANNOT be final payment therefore "MONETIZED DEBT" NEGATES THE PAYMENT OF DEBTS and debt accumulation accelerates at an ever accelerating rate (runs away)!

The "currency" (paper tokens) cannot be considered redeemable with the borrower's collateral because the "currency" issuers will not redeem the "currency" by paying-out the collateral. The "currency" ("dollar bills") are no better than BAD CHECKS for which there is nothing on deposit, yet they seem to function without anyone realizing the embezzlement they perform. There is a very understandable reason for that. A bad check is eventually 'FOUND OUT' when the endorsement space on the back is used up and it is deposited for collection. Bad "currency" ("dollar bills"), however, do not require endorsement, therefore they pass from hand to hand without their true nature ever being exposed until debt accumulation, with its unpayable interest burden, brings about the inevitable, final collapse.

In this MODERN MONETARY SYSTEM where debt is referred to and measured in terms of 'dollars', accepted as ENTITIES, there is a built-in perpetuating force called INTEREST.

In the course of issuing "money" to a borrower, the issuer always charges a fee. The fee for borrowing "money" is called interest. The interest is specified in terms of 'dollars' and must be "repaid" by the borrower in addition to the principle amount. Only if we consider ALL BORROWERS as ONE can we understand that MORE CANNOT BE RETURNED TO AN 'ONLY SOURCE' than is TAKEN from it. All commercial banks, the **creators of MODERN MONEY**, are regulated by the Federal Reserve Board (the Monetary Authority) and are the only source of modern money.

"Currency" borrowed by one borrower can be earned and used by another to "pay" interest, but the "currency" borrowed also bears an interest burden. In the public's efforts to pay interest they are collectively borrowing more with which to "pay" it. As the additional "currency" is borrowed with which to pay interest, it becomes principle itself and draws interest. Interest burden never goes away. Interest is perpetual. INTEREST CANNOT BE PAID!

If all borrowers were to pay-back all the money borrowed, (ALL THE "DOLLARS" they "RECEIVED"), they would still owe all the interest and have no "dollars" with which to pay it. The interest burden climbs until it is greater than the total production of all borrowers, then the system collapses. THE PEOPLE, IN FULL USE OF PERPETUAL DEBT AS MONEY, A BUY NOW-PAY NEVER SPREE, ARE TOTALLY UNAWARE OF ITS CONSEQUENCES, AND ON A "TREADMILL TO FINANCIAL OBLIVION."

Why should you believe me when *we the people* have been led to believe that all the economic problems we experience emanate from a mysterious monster called INFLATION. A monster so complex and devious that our best NOBEL PRIZE winners and high officials cannot understand it.

> "Rising inflation and rising unemployment have been mutually reinforcing, rather than the separate effects of separate causes."
>
> Mr. Milton Friedman- Nobel Prize.
> Page 3 N.Y.Times 1-30-77
>
> *******
>
> "The rules of economics don't seem to work like they are supposed to."
>
> Mr. Arthur F. Burns, Chairman of the Federal Reserve Board
> Page 3 N.Y.Times 1-30-77
>
> ********
>
> "One reason why economists are in such disrepute is that they have pretended to understand inflation and to know how to control it, when obviously we do not."
>
> Mr. Wassily Leontieff, -Nobel Prize.

If I have done my thinking clearly and objectively there is only one thing that IS INFLATION and that is modern "money" which is DEBT represented by paper tokens called "dollar bills" which are accepted by the people as our "currency." Now if government prints the currency they should only print enough for the public to use to pay their taxes with. That is all they are entitled to. If they print more than they have coming in taxes that would be the same as counterfeiting would it not? The Government could not

spend more than they print, but they could print and spend more than they have coming in taxes. That must be what they call deficit spending.

The public has to give-up some production or perform a service to get "currency." That is why the system "works" because everyone has to work to get "dollars" therefore they expect everyone else to work to get "dollars"; except Government, which has the power to tax the public. If the government can print and spend more "currency" than it has coming in taxes, why don't they just print what they want and forget about taxing the public?

Government uses the "currency" it takes in taxes to spend for the goods and services it needs to operate. Why don't the public use THAT "currency" it receives with which to pay its taxes? Why does Government have to print so much, all the time? Some is needed to replace old and worn paper tokens. Some is needed to accomodate expansion. But the prodigious amounts being printed cannot be for just those two reasons.

Why does the Government print so much "currency?" What do they do with it when they are finished printing it? If they print it and have it why don't they spend it into circulation or is that what is done? If they spend it into circulation and print such prodigious amounts of it, why does the Government have to borrow?

We know that the government prints it. We know that the people have to work to get it. But how do the banks get it to loan to the people and to government?

If the banks get it from the government why does the government have to pay interest to the banks when they borrow it back? Why do they have to borrow it back when they had it in the first place, why didn't they just use it? If they just use it, that would be unfair if what they used exceeded what they had coming in taxes. However, they are printing prodigious amounts of it. What is being done with it? Who gets it and for what?

In the old days, before this modern "money" the printed "currency" was all silver and gold certificates. There was silver or gold coin on deposit that could be redeemed with the certificates and surrendering the certificate took it out of circulation.

Gold and silver coin had to be on deposit for redemption of the certificate outstanding. Government could not print more certificates than there was gold or silver coin on deposit to be redeemed. We knew exactly who got the certificates printed by the government. Whoever deposited gold and/or silver coin got gold and/or silver certificates as receipts of the deposit. Who deposits what; to get the modern "money?" Government printed a modest amount of "currency" to replace old worn out paper tokens and some additional to cover new deposits of gold and/or silver coin but never the prodigious amounts as now. What is increasing at such prodigious rates that it can justify this accelerating acceleration of the "currency" volume. It is not gold and it is not silver coin -- what is it?

Government printing such huge volumes of "currency," far exceeding any claim on taxes, must be printing it to represent something. The "currency" being printed does not have anything ON DEPOSIT to represent. The "currency" cannot ever be removed from circulation in the old way by redeeming a deposit because there isn't any deposit. It must represent something that is growing at the same prodigious rate as the "money" volume. Something that cannot be deposited and yet establishes a link between the printing of "currency" and who should get it.

When I finally discovered the truth, it boggled my mind. No wonder our trained and learned Nobel-Prize winning economists could not discover it. Their minds could never conceive that a condition like this could develope. The answer is accurate but thoroughly unbelievable.

The only thing growing at the same prodigious rate at which "currency" is being printed is DEBT. The "currency" is being printed to represent DEBT. When a borrower accepts the liability of a loan he receives "money." The deeper in debt he goes the more "money" he receives. The "currency" (paper tokens) looks the same as the old gold and/or silver certificates that were issued when gold and/or silver coin was deposited. The new Federal Reserve "notes" are paper and are issued, not upon deposits being made (coins coming into the bank), BUT upon loans being taken out! "Currency" for which there is nothing on deposit cannot represent anything but DEBT ITSELF therefore anyone accepting a liability

is entitled to the "currency" representing their debt. The amount of "currency" received is commensurate with the volume of their loan.

No self-respecting economist could possibly accept a concept that "boils-down" to: THE DEEPER IN DEBT YOU GO THE RICHER YOU BECOME. It is too fantastic and unbelievable. But the evidence of its BEING is irrefutable. The debt volume and "money" volume are both growing at prodigious and respective amounts. The very fact that "currency" can be spent, and the "currency" is given to those going into debt gives the system its name. The Modern "Money" system is called the MONETIZATION OF DEBT.

Making DEBT 'SPENDABLE' is quite an invention and it is in full operation, though how to justify it, DEFIES ME. There is proof that some recognition of this condition does exist.

> "Expansion of Central Bank holdings of Government debt provides the Treasury with funds just as certainly as increased output of its engraving and printing facilities."
>
> Page 17 Federal Reserve Bank of St. Louis Review February 1975

Debt is spendable, but the paper tokens issued to represent it and make it spendable, are not 'collectable' from the issuer. The issuers of the paper tokens are not producers of goods. The issuers can never be called upon to give up anything for "currency." The debt represented by the "currency" is used by the issuer to obtain production without any fear of ever having to 'pay' for it; BUY NOW! PAY NEVER! The issuers of "currency" get everything IT "buys" for nothing! The producers never get wise to their loss

because they never suspect the truth. The PRODUCERS all exchange the "currency" with ONE ANOTHER giving and receiving in turn, using the "currency" as a medium of exchange. It never occurs to the producers that the ISSUERS get the currency for nothing and will not give anything for it.

How could any self-respecting economist admit to being a part of a system like that if he truly understood it? There is a possible touch of remorse in the words of Darryl R. Francis then President of the Federal Reserve Bank of St. Louis before the Committee on Banking & Currency, House of Representatives, July 18, 1974:

> "I doubt that monetization of debt has been a conscious act on the part of the Government or on the part of the Federal Reserve System. Rather, I believe the reason it has occurred lies in the relative visibility of the three methods of financing Government expenditures--taxes, borrowing from the public, and indirect debt monetization.. ..in the case of debt monetization, the immediate and even the short-run impact is neither an increase in taxes, nor an increase in interest rates. And yet, real resources still are being transferred from private to Government use."

The above quote points out that through DEBT MONETIZATION it is possible to STEAL without being found out. Stealing is what debt monetization really is when it is analyzed from any objective viewpoint. How can an economist, trained in these matters, be around it so long without seeing a truth so obvious?

With "currency" being printed in such prodigious quantities, how come they do not ask themselves who is getting it? For what? Why? Thousands of economists World Wide and no one can see this

as STEALING! I am amazed and full of wonderment at a profession that flounders around trying to out guess one another as to what is wrong. Why rules of economics do not seem to work like they are supposed to. It only took a few pages here to reason out that no amount of debt can eliminate debt. Any multi-year excursion into the realm of fantasy and nonsense must end in disaster.

There are only two conclusions I can come to: Either the entire economist membership is totally incompetent, or they are united in their efforts to prevent the panic that will surely come when the public finds out. In the words of Jacques Rueff 1961:

> "It is the product of a prodigious collective error which will remain in history and will eventually be recognized as an object of astonishment and scandal."

All I could add to that is that the United States and the world is running wild on this BUY NOW!-PAY NEVER! Spree and it is for certain a "Treadmill to Oblivion!"

> "Our earth is degenerate in these latter days; bribery and corruption are common; children no longer obey their parents; every man wants to write a book, and the end of the world is evidently approaching."
>
> From an ancient Assyrian tablet

CONTENTS

NO ONE CAN CORRECT A FAULT 'OF WHICH' HE IS UNAWARE!

> "The world is Governed by very different personages from what is imagined by those who are not behind the scenes."
>
> Benjamin Disraeli

Any one who has seen a "Magician" perform cannot deny the powerful effect of his illusion. He is billed as a "Magician" and we expect the illusion and so it is entertainment. To say that truth is stranger than fiction is much easier than getting anyone to accept that premise. Yet, truth IS stranger than fiction. In the above quote Benjamin Disraeli brings out how important 'viewpoint' is, by his reference to "behind the scenes." From a vantage point behind the "Magician" some of his "magic" may become exposed. Viewpoint is the deciding factor in observing many false premises accepted as truth by the public, as a whole. Some acknowledgement of this is accepted as can be proven by a well known saying: "You cannot judge a book by its cover." Well known and accepted as it may be investigation indicates that more books are sold by 'title' than by content.

There seems to be no limit to which humans will not stretch their imagination to accept a false premise. I was once told, in no uncertain terms: "The truth will not sell." There is a great amount of evidence to support that statement and yet I feel that if the truth will not sell nothing else is worth selling. Truth is

fact, correctness, actuality, reality, etc. not as something appears to be, but, what it actually is. To arrive at truth about anything requires observation, calculation and deduction. Only theory is debateable, truth is final. The volume of what is accepted as truth, but is not, is far beyond any human's normal ability to accept. If this were not so then truth would not be stranger than fiction.

The entire world as the general public knows it, is not as it appears to be. What the public believes is true is really false and what is really true they are not aware of and will not accept when informed of it--"The truth will not sell." Shakespeare's "As You Like It" contains the line: "All the world is a stage etc," that is true. "All" the people are performing unaware that they are performing, in accordance with directions from a director, stage manager, and a scenario they are completely unaware of. The words of Benjamin Diraeli again "The world is governed by very different personages from what is imagined...." repeat "the world is governed." No mention here of nations, countries, or municipalities, repeat: "the WORLD is GOVERNED." Was he wrong or is there a force on Earth that directs the behavior of its occupants. That directs them to believe in nations, and nationalities, wars of aggression and greed when in fact none of that is really true. It happens and we see it happen and it is played out upon the stage for us to participate. People are killed, wounded and missing-in-action, that is real only as long as we do not look into the wings or into the audience. This scenario is acted out on a stage that is the Earth itself. There is no wings or audience as such.

THE STAGE AND THE THEATRE IS ONE, THE PERFORMERS AND THE AUDIENCE ARE ONE, AND THOSE FEW WHO ARE THE INVISIBLE GOVERNMENT ARE WHOLLY HIDDEN AMONGST US.

HOW DO WE PROVE THE EXISTANCE OF THIS UNKNOWN SCENARIO, THIS UNSEEN DIRECTOR AND STAGE MANAGER?

1. Who is this invisible government?
2. what is its force?
3. Where does it get its power?
4. When will it end, if ever?
5. Why does it persist over the truth?

WHO........The invisible government of the world is it world wide interdependent banking system.

WHAT.......Its force is the "monies" of the world it creates.

WHERE......It gets its power from the fact that all "monies" today are monetized debt. The people's credit, monetized by the bankers and used to control the people.

WHEN.......It will end when its exposure will be accepted by the people and they refuse to use monetized debt as a medium of exchange.

WHY........It persists over the truth because all the power of "modern money" is used to subvert the truth and support a belief in the false world the people 'SEE' all around themselves.

How can this small group of people, hidden within the main body, direct the policies of the body as a whole, without detection It is possible because most people accept what they see and what they hear without applying any tests for truth. When only gold and silver coins were used and called money, it was believable that one nation might attack another to get needed material it could not "pay" for. But with modern "money", created by the billions, and used to purchase with, why fight, for something you can get with "modern money", which costs you nothing?

The people will believe that one country attacks another for chrome, or nickel, or copper, never realizing that with "modern money" it can be "bought" for nothing. Who could you not corrupt, if money were no object? What could you not "buy", if money were no object? Where could you not go, when could you not use it? Why would you not use "modern money" if you were the one 'licensed' by the world to create it? You do not have to go beyond the pages of the Wall Street Journal to find this truth.

> "In Kingston, Jamaica, this week, 20 representatives of the 128 members of the International Monetary Fund will be playing a marvelous game. The IMF Interim Committee - 10 delegates from the industrial nations, 10 from the developing countries - will create about $14 billion in fresh money, after they haggle over who gets to spend it, under what conditions.
>
> The international bureaucrats assembled in the sunny spa don't normally admit that what they are doing is simply printing money; they describe the process as an expansion of IMF quotas. Nor is a printing press used. The IMF members-including the United

States-merely agree that the IMF should write in its ledger that it has an extra $14 billion to lend to the poor and deserving.

Now this inflation-groggy world certainly does not need the injection of another $14 billion in base money, likely to be multiplied into a far larger addition to the world's money supply."

Review and Outlook Wall Street Journal
Page 12 Wednesday, January 7, 1976

WHO CREATED $14 BILLION?

"20 representatives of the 128 members of the International Monetary Fund."

WHO GETS TO SPEND IT?

..."after they haggle over who gets to spend it,"

WHAT WAS THE $14 BILLION?

"....fresh money...."

WHERE WAS THE $14 BILLION CREATED?

"In Kingston, Jamaica..."

HOW WAS THE $14 BILLION CREATED?

"....merely agree that the IMF should write in its ledger that it has an extra $14 billion..."

WHEN WAS THE $14 BILLION CREATED?

"....this week...."

WHY WAS THE $14 BILLION CREATED?

"....to lend to the poor and deserving."

DID WE REALLY NEED ANOTHER $14 BILLION?

"Now this inflation-groggy world certainly does not need the injection of another $14 billion in base money, likely to be multiplied into a far larger addition to the world's money supply."

AGAIN: How was the $14 Billion in New Money created?

BY TWENTY REPRESENTATIVES OF 128 MEMBERS OF THE I.M.F. MAKING-BELIEVE THEY HAVE IT BY ---- MERELY AGREEING THAT THE I.M.F. SHOULD WRITE IN ITS LEDGER THAT IT HAD IT...

AGAIN: Who did the haggling over who gets to spend it?

TWENTY REPRESENTATIVES

> "Money power denounces, as public enemies, all who question its methods or throw light upon its crimes."
>
> William Jennings Bryan 1896

> "We have awakened forces that nobody is at all familiar with."
>
> John Connally - Newsweek 8-14-71

> "What's at stake is nothing less than the economic order of the free world."
>
> Austria's then Central Bank Chief Wolfgang Schmitz 9-11-72

HOW CAN ANYONE BELIEVE IN A GROUP OF 'IN'-DEPENDENT NATIONALISTIC NATIONS ---- WHEN THEY ARE ALL 'INTER'-DEPENDENT THROUGH THE INTERNATIONAL MONETARY FUND?

> "Those who create and issue money and credit direct the policies of government, and hold in the hollow of their hands the destiny of the people."
>
> Rt. Hon. Reginald McKenna former president of the Midland Bank of England, ex secretary of the British Exchequer 1920

Twenty representatives of 128 nations create money, which is all powerful on government policies and destinies of the peoples of those governments. Representatives of 128 nations joined in one organization, to create a belief in monetized debt, to fool and exploit all the people of the world. No one nation could act independently without breaking the conspiratorial agreements that keep the world's people fooled.

> "....what is a dollar its just something artificial we throw out there....what youre doing is youre fooling people...."
>
> Denis Karnofsky - Chief economic adviser- St. Louis Federal Reserve Bank - on "NEWSMAKERS" Ch 4 TV June 10. 1978

Make-believe "money" can only be used when it is created in one human mind and accepted in ALL others. If any group of people or nations stopped believing in the monetized debt-make-believe "money", its power to support belief in a false world, would be replaced by truth, proportionately. The whole world is in the grip of this monetized debt, 'MODERN MONEY MADNESS' and are believing that the world, as they 'SEE' it, is the real world.

HOW MODERN MONEY IS CONTROL OVER PEOPLE

If anyone points a gun in you direction--you fear!

If anyone flourishes a knife in a threatening manner--you fear!

If anyone raises a club as if to strike you--you fear!

An individual does not have to have been shot to fear a gun. No one has had to have their throat cut to fear a knife. It is not necessary to have been clubbed before, to fear the hurt a club can inflict. What then makes u fear anything, if we have not had personal experience with its potential for creating agony? It is the enlightenment we have had through the various medias of information that tell us people can use guns to inflict injury and death.

From the time we were children we have been taught that knives are sharp and used improperly can inflict injury. All of us at one time or another have been cut and this lesson makes knives a most effective weapon to threaten anyone with.

In the case of the club or any heavy object raised in a threatening manner, the fear generated is from self-deduced obvious conclusions of what it would feel like to have that object come in contact with our body.

BUT! WHY DON'T WE FEAR MODERN "MONEY?"

Modern "money" (inflation) wrecked Germany in 1923. The

people when questioned readily agreed they would accept another WORLD WAR I before they would go through another monetary collapse.

Our own historical experience with "Continental Dollars" caused the Constitution to specify only gold and silver coin as the money of account of the United States.

Only through the reintroduction of gold coin into France, was Napoleon able to bring order out of chaos, after the French monetary collapse.

Throughout its entire existance, the NAZI REGIME outlawed the use of gold as a medium of exchange in Germany. The results of the NAZI'S use of modern money will live in history for ages as the most heinous. What war cannot be started, continued, and the outcome decided by the nation with the most modern money? What war could be continued after the modern money ran out? If it is not modern money--what then is the ultimate weapon for all time?

> "Modern "money" (inflation) accepted as a medium of exchange subjects people and their government to the influence of its creator."
>
> Jenkins Law 11 1971

'OLD' "MONEY" (gold and silver coin).

'MODERN' "MONEY" (monetized debt).

> "...I can find no benefits accruing to the whole of society from debt monetization, but the risks are very serious and can be expressed in one word - INFLATION."
>
> Darryl R. Francis, then President of the Federal Reserve Bank of St. Louis.

THINK

PLACE YOURSELF IN THE POSITION OF BEING ABLE TO CREATE MONEY; EVERYONE MUST ACCEPT IT (YOUR LEGAL TENDER ACT); NO ONE REALLY UNDERSTANDS 'WHAT' YOU HAVE "GOING" FOR YOU (ITS YOUR SECRET); ALL THE 'MONEY' IN THE WORLD IS YOURS TO CREATE ('MONEY' IS OF NO OBJECT TO YOU); UNDER THOSE CONDITIONS:

What function of Government could not be corrupted, by you?
What business could not be destroyed, by you?
What manner of injustice could not be inflicted on anyone, by you?
What truth could not be suppressed, by you?
What commodity could not have its price suppressed, by you?
What commodity could not have its price supported, by you?
What commodity could not have its supply decreased, by you?
What commodity could not have its supply increased, by you?
What information media policy could not be directed, by you?
What educational material could not be distorted, by you?
What school could not have its policies directed, by you?
What crime could not be 'gotten-away-with', by you?

THERE IS NO AMOUNT OF CORRUPTION YOU COULD NOT 'GET-AWAY-WITH' IF YOU HAD ENOUGH 'MONEY!'

Government, Business, Justice, Truth, Prices, Supply, Information, Education, Schools and Crime are all subject to corrupting influences by anyone to whom 'MONEY' IS NO OBJECT!

Government is controlled by Modern "money", therefore Government does not create Modern "money", or it would control itself. There is only one entity to whom Modern "money" is no object. It is the commercial banking system (under regulation by the Federal Reserve Board) that has an 'OPEN ENDED' checking account.

> "These are the men who create the money we all spend....in effect they determine whether you will be able to buy a car, can afford to take a vacation or buy a new home. Their decisions can effect the security of your job...in the deepest secrecy they plot their strategy....everything is cloaked in deepest secrecy...in making decisions they check with no one--not the President, not the Congress, not the people."
>
> Page 14 PARADE MAGAZINE October 26, 1975

The Commercial Banking system through its "monetized debt" ("Modern Money" represented by non-redeemable paper tokens) is the SUPREME force WHO'S WILL IS LAW in the United States.

WHOEVER WOULD RETURN GOVERNMENT TO THE "WILL OF THE PEOPLE" MUST FIRST RETURN THE UNITED STATES TO THE USE OF CONSTITUTIONAL COINAGE AS A MEDIUM OF EXCHANGE AND THROUGH IT THE CONSTITUTION AS LAW IN THE UNITED STATES.

HOW COMPOUND "CREATION" INCREASES EMBEZZLEMENT POTENTIAL.

DEMAND LIABILITIES of Commercial Banks are "money." DEMAND LIABILITIES are DEPOSIT CREDITS a MAKE-BELIEVE medium of exchange CREATED by the bank upon receipt of commercial paper or personal notes from the borrowers. The deposit credits become units of IMAGINARY medium of exchange created out of nothing and consisting of nothing, but their make-believe presence as RECORDED on the books. They are represented by physical tokens issued by the bank in exchange for the borrower's claim to those MYTHICAL units of IMAGINARY medium of exchange. By the use of checks (written directions to banks to shift 'claims on units' from one account to another) and paper "note" tokens and alloy metal "coin" tokens, the "presence" of the 'not present' is accepted and used daily in the economy.

The "units" of make-believe medium of exchange are actually what is called 'banker's credit' the RATIONAL FOR 'banker's credit' is that there EXISTS an 'unwritten' acceptance of the 'fact' that since the banker is a respectable business man with a large investment in buildings, vaults, and equipment, that his 'credit' in the neighborhood is preeminent. Where a member of the non-bank public may default on a note, the banker's business depends on his reliability and integrity. A member of the non-bank public (borrower) gives the banker a pledge to 'pay-back' and the banker gives the

borrower the right to use his 'banker's credit' as THEIR OWN, up to the limit of the "loan" amount.

The banker has a very unique 'SPECIAL LICENSE' he is allowed to use his credit INDIRECTLY, through borrowers, WITHOUT GIVING A PLEDGE OF 'PAY-BACK' TO THE MERCHANTS. The banker lends the 'purchasing power' he DOES NOT HAVE DIRECTLY to borrowers to use in the economy. The system is so subtle its fundemental premise (THE RIGHT OF ANY GROUP TO CREATE DEMANDS, WITHOUT COMPENSATION, UPON THE PRODUCTION OF OTHERS) is never questioned. All the checks that are deposited by merchants are deposited into the banking system, which is so secret about its records that no 'outsider' has ever audited the Federal Reserve. The deposit credits are the bankers entering in the borrower's account the numerical notation to ACCEPT AS GOOD ALL CHECKS written by the borrower up to the NUMERICAL LIMIT of the "LOAN." The "purchasing power" represented by this numerical notation to accept as 'GOOD' checks written to that amount is the 'NUMBERS IN A BOOK' that IS the recording of the mythical, psychological, entity (demand liabilities of commercial banks) called 'MONEY' by the public .

There isn't any gold in the vaults, there isn't any silver, in the vaults, there are no shoes, eggs, quarts of milk, cars, buses, airplanes, toys, candy, jewelry, diamonds, clothing, medicines, art supplies, or any produced goods, for which these numbers can be redeemed. The bank will issue copper-nickel alloy "coin" tokens and paper "note" tokens to represent these numbers in the economy, to give credibility to the mythical, psychological, entity,

but because there is no production or ANY tangible thing on deposit for their redemption they are not redeemable by the issuer (the commercial banking system) for gold or silver coin as SPECIFIED in the United States Constitution.

The 'banker's credit' or 'deposit credit' or 'demand liability' or whatever terminology is applied to this IMAGINARY "purchasing" unit does not really matter. What is imperative to know and understand is that this 'unit' of NOTHING that is being USED by everyone is the ONE AND ONLY "MONEY" IN USE TODAY. The 'modern' "money" which in times past was known as 'banker's credit' was recognized, for many years, as being a competitor and expropriator of the, so-called "real money" (gold and silver coin). Today with gold and silver coin no longer in use, the only legal tender we have, WE DON'T HAVE, because it is only an object of thought (totally mythical and psychological in nature).

> "Money is such a routine part of everyday living that its existence and acceptance are ordinarily taken for granted. A user may sense that money must come into being either automatically as a result of economic activity or as an outgrowth of some government operation. But just how this happens all too often remains a mystery....the actual process of money creation takes place in commercial banks. As noted earlier, demand liabilities of commercial banks are money."
>
> MODERN MONEY MECHANICS Page 2-3 Published by Chicago Federal Reserve Bank- Free on request.

"...the PROCESS of money creation..." Its a MENTAL process! BUT!!

The original creation of deposit credits (demand liabilities of commercial banks) which are records of a make-believe 'medium of exchange' "loans" on the basis of commercial paper or personal note collateral is ONLY THE BEGINNING!!

Creating an IMAGINARY medium of exchange is fantastic enough (the actual "thing" used is an "object" of thought) but the procreation (regeneration) or expansion of the volume, 'PROCESS' is considerably MORE fantastic.

The RATE of INCREASE in total volume of deposit credits that are procreated (generated) is 'regulated' by the rules of the system. The RATE of total volume increase is the result of basing an allowable increase amount on a 'multiple' of the AMOUNT of original deposit credit (demand liability) claims REDEPOSITED in the bank by the claim holders. The entire system depends on 'CONFIDENCE' in it and acceptance by the non-bank public that as long as you can 'keep on borrowing' there is never any NEED to STOP EXPANDING, but only a need to 'REGULATE' the GROWTH RATE of the 'total "money" volume.'

> "Debt-public and private-is here to stay... ..What is required is not the abolition of debt, but its prudent use and intelligent management."
>
> Page 33 "TWO FACES OF DEBT" Publication of: Chicago Federal Reserve Bank--Free on request.

If the RATE is TOO GREAT the 'fallacy' of believing you can borrow yourself out of debt becomes exposed, because the "purchasing" power per 'unit' deteriorates too rapidly (prices rising). By tempering the system the 'fallacy' remains obscured, prices rise slowly and people accept the changes as PROPERTY APPRECIATION.

The system makes use of a take-off on an extremely successful scientific control device: the 'feed-back loop'. By monitoring the amount of output that "returns" to the system as input, the output

is made proportional to the input. The system is tempered not to create imaginary purchasing power TOO RAPIDLY by linking it to how much of "that" ALREADY CREATED is NOT BEING USED and is REDEPOSITED as "SAVINGS." "Money" not being used in the economy, has no effect on "prices," (Jenkins Law of Competitive Bidding as opposed to the Law of Suppy and Demand).

Maintaining a PROCREATION -to- SAVINGS ratio fairly constant (if that were possible) would make the ultimate effect of constantly accumulating debt APPEAR SO GRADUALLY that its 'appearance' at all would be, for all practical purposes, not possible or more readily accepted as being "natural" appreciation of property.

Deposit credits (demand liabilities) are originally created by the bank for a borrower. There is no other way, there is either a borrower or there is no original creation. The bank creates and the borrower takes "possession" by receiving a written "deposit receipt" that he owns the 'units' of imaginary medium of exchange. He can "hold" 'units' or exchange 'units' in the economy, passing his 'claim' on to another by means of physical tokens (checks, paper "notes", or alloy "coin" tokens) that represent 'units' of imaginary medium of exchange. The holder of a 'claim' on 'units' no matter how received, or in what 'form' "they" might be, may dispose of 'units' in exchange, hold 'units', or he may "DEPOSIT" 'units.'

A "deposit" of 'units' is handled just as though it were a deposit of something physical. Nothing really entered the bank except tokens, but the records are altered to show the NEW STATUS

of the claim. A "deposit"--(returns a claim on 'units' to the status of a demand liability of the bank), for the claim holder, in a SPECIFIC account. It may be the claim holder moving funds from his savings account to his checking account, or from his checking account to his savings account or it may be a merchant depositing a claim received in exchange. If it is a checking account then the claim on 'units' can only be shifted by the 'owner' issuing a check (transfer instructions) to the person from whom he received something in exchange. If it is a savings account then the claim can only be altered through 'withdrawal', by surrendering a portion or all of the claim on 'units' noted in a 'pass-book' in exchange for paper or metal tokens or deposit credit in a checking account. If the claim on demand liabilities is in a 'specific' account, checking or savings, then the "deposit" is considered to be part of the bank's RESERVES, which means that UNTIL instructions come in to alter the record of claim, the bank itself, can use those 'units' for ITS reserve requirement "DEPOSIT" at the Federal Reserve. The AMOUNT of 'units' "REDEPOSITED" in various types of "REDEPOSIT" accounts is the result of the actions of the non-bank public. To neutralize any negative effect, an increase or decrease in RATE of "redeposits" might have on their plans the Monetary Authority SETS the 'MULTIPLE' that must be applied in THEIR subsequent procreation (expansion of the accumulated volume by new creation for new loans).

A 100 'unit' 'claim' "redeposited" in a 'checking' account will justify a 'specific' increase in the total volume of 'units.' The rules specify that the bank MUST hold a portion of that 100

'unit' claim as its own "reserves", when it lends the difference out to another borrower. If the 'reserve requirement' is 8% then the bank will hold 8 'units', out of the 100, as its "reserve" and lend out the remaining 92 'units'. With 8 held and 92 issued it establishes a 'Multiple' of 11.5 for expansion. The banking system at that 'reserve requirement' would be maintaining a PROCREATION to SAVINGS ratio of 11.5 to 1 (92 ÷ 8 = 11.5). The amount of procreation is then 11.5 times the "redeposit" AMOUNT of THOSE ORIGINALLY CREATED. 'Units" of IMAGINARY mediums of exchange (nothing) is giving "BIRTH" to additional 'units' of IMAGINARY mediums of exchange (nothing) with the birth of 11.5 'units' from 1 unit. 'Nothing' is procreating (generating) more 'nothing' to swell the accumulated volume, in ever eccelerating amounts, as this TOTALLY UNBELIEVABLE - P R O C E S S - continues.

The 'claim holder' who "redeposits" 100 units in a checking account, obviously, does it with the intention of eventually writing checks against that claim. The bank loaned out 92 of those same 100 units to a borrower, -and kept 8 for itself- in its reserve account. There is now DOUBLE the amount of "purchasing power"' that there was BEFORE the "redeposit." 100 'units' the redepositor can write checks against, 92 the new borrower can use and 8 in the bank's reserve account. A total of 200 units where before there was only 100, hardly a MULTIPLICATION BY 11.5, BUT as mentioned earlier; THIS IS ONLY THE BEGINNING!

Remember the borrower who borrowed the 92 units put those in his checking account so that he could write checks against them.

The bank took 7.36 units (8%) of that 92 unit "redeposit" and put it in its reserve account, as per the rules and loaned out the difference of 84.64 units to a 2nd borrower. The total now looks like the following:

Original claim redepositor.........	100.0	units
Bank's reserve on 1st loan.........	8.0	"
Units loaned to 1st borrower.......	92.0	"
Bank's reserve on 2nd. loan........	7.36	"
Units loaned to 2nd borrower.......	84.64	"
Total units now "existing"........	292.00	"

The system using an 8% reserve requirement which allows an 11.5 multiple of new creation (procreation) to "savings" (those created originally "redeposited") will create 1,150.0 new 'units' of imaginary mediums of exchange for every 100 "redeposited" as "savings" and the effect of this amount added to the existing volume produces a RATE of increase that is NOT considered TOO RAPID!

A 3% reserve requirement allows a multiple of 32.33 or a procreation (generation) to "savings" ratio of 32.33 to 1 which advances as follows:

Original claim depositor...........	100.00	units
Bank reserve on 1st loan...........	3.00	"
Procreated for 1st new borrower....	97.00	"
Bank reserve on 2nd loan...........	2.91	"
Procreated for 2nd new borrower....	94.09	"
Bank reserve on 3rd new borrower...	2.82	"
Procreated for 3rd new borrower....	91.27	"
Bank reserve on 4th new borrower...	2.74	"
Procreated for 4th new borrower....	88.53	
Total units now "existing".......	482.36	"

On and On until the 100 units originally created through the "magic" of "redeposit" in a banking system account will justify by the fractional reserve system the generation of 3,233.33 'units' of newly created (procreated) IMAGINARY "purchasing power" to the volume already accumulated. Observing the ultimate LARGE effect in

the accumulated volume that a SMALL change in the reserve requirement causes, it is evident that a change in the reserve requirement, whenever is is directed by the Fed. is a significant move. Whenever the reserve requirement is 'lowered' (say to 5% from 8%) the banking system has MASSIVE "MONEY" CREATING (LOAN) JUSTIFICATION AND the 'Fed.' is said to have 'LOOSENED THE PURSE STRINGS'. Whenever the reserve requirement is 'raised' (say to 8% from 5%) the banking system has SEVERLY CURTAILED PROCREATION JUSTIFICATION and the 'Fed.' who 'sets' the reserve requirement rate is said to have tightened the purse strings.

The license to set the reserve requirement amount percentage, lobbied for and obtained by the banking system, from Congress is one of the Monetary Authority's coarse adjustment tools which it uses regularly to attempt to regulate the GROWTH RATE of the total "money" volume.

IT IS IMPERATIVE TO OBSERVE THAT THE VOLUME WILL CONTINUE TO "MULTIPLY ITSELF" AS LONG AS THERE IS ANY RESERVE REQUIREMENT UNDER 100%.

As UNBELIEVABLE as the original creation of imaginary mediums of exchange is to begine with, it is only by the procreation (self-generating) aspect of the system that we can understand that the seeds of its own destruction are 'sewn within it'! In the beginning even though the geometrical progression on the accumulated volume is great, its base is small and its effect on "prices" is minimal because of the time lag for its invasion to be felt in the far reaches

of the economy (trickle down to the last man). In the beginning the rapid expansion appears as a boon and "savings" are HIGH minimizing the amount that actually bids for goods. With an imaginary medium of exchange that multiplies itself: at 8%: in twelve cycles:

1. 1 unit of original creation expanded...=.................11.50
2. 11.5 units of procreation expanded.....=................132.25
3. 132.25....expanded.....=..............1,520.00
4. 1,520.87...... " ....=.............17,490.06
5. 17,490.06...... " ....=............201,135.71
6. 201,135.71...... " ....=..........2,313,060.00
7. 2,313,060.00...... " ....=.........26,600,198.00
8. 26,600,198.00...... " ....=........305,902,286.00
9. 305,902,286.00...... " ....=......3,517,876,289.00
10. 3,517,876,289.00...... " ....=.....40,455,577,323.00
11. 40,455,577,323.00...... " ....=....465,239,139,220.00
12. 465,239,139,220.00...... " ....=..5,450,250,101,030.00

5 Trillion 450 Billion 250 Million 101 Thousand thirty.

HOW 'CON' SCHEMES INCREASE THE 'POWER'!

To be the Monetary Authority ("money" creator and manager) is not enough in itself to guarantee complete control over the non-bank public. It is necessary to develope and introduce schemes that make certain that the non-bank public's accepted authority ("government") in Washington is also under complete control. The term 'accepted authority' is used here to indicate the duly elected officials, who were elected to office by the votes of the people, in full accordance with the original U.S. Constitution and its first ten amendments, known as the Bill of Rights.

Once the Monetary Authority was brought into being, by Act of Congress, the banking system that LOBBIED to get the Act passed became the ACTUAL government. Congress as a victim of its own actions has its policies directed by the creators of the "money" who openly admit that laws are made for those who can pay for them. The Monetary Authority creates "money" (the 'bidding' material) so they can out-bid the non-bank public at EVERY turn. The public may 'VOTE' for one of the choices they are given, but the official is 'ELECTED' by those that put up the "money" for his campaign and "buy him the vote" via the media (television, radio and newspapers).

The Constitution spelled out 'States rights' and made the state more powerful than the federation, it also made the people more powerful than the state. There were checks and balances that

were supposed to preserve that arrangement. The Founding Fathers knew of the corruption of which bankers were capable and they made it very clear.

> "No state shall....make anything but gold and silver coin a tender in payment of debts...."
>
> Article 1 Section 10 Paragraph 1
> Constitution of the United States.

> "If the American people ever allow private banks to control the issue of currency, first by inflation, then by deflation, the banks and corporations that will grow up around them will deprive the people of all property until their children will wake up homeless on the continent their fathers conquered."
>
> Thomas Jefferson

Lobbying in Congress was successful and an amendment was passed circumventing those provisions in the Constitution. We now have FIAT (unfunded paper tokens as "currency") and every day that passes sees the Monetary Authority, through its 'front' the Federal Government, becoming increasingly more powerful over the will of the people. Through the Federal Government as its 'front' the real governing body (the Monetary Authority) is coming closer to being a true MONARCHY by virtue of a few simple schemes. One of the most difficult to explain is the initial scheme, the Monarch's own version of the 'Pidgeon Drop' ('matching funds') and its future mate, of a more diabolical nature, 'revenue sharing'!

The individual members of the non-bank public are the only source of production and services, they labor to turn resources

into useable production. If there is INCENTIVE they will work harder and increase production. WITHOUT incentive they will work less and the production rate will decline. Anyone with enough ambition will eventually try to expand his enterprise by employing additional people, at a fair share of the profit from the increased capacity to produce, and in so doing increase his own total net return. The ability to profit from investing savings in business in a free enterprise atmosphere makes people successful, independent and proud. If these people are supporting their accepted authority (visible government) with taxes, they have a DEGREE of influence on its policies. The Monetary Authority does not want ANY interference with ITS policy directives. They develope ways to 'weaken their opposition' (the will of the people) by reducing the non-bank public's independence and making them more dependent on the Monetary Authority. They introduce laws through THEIR "front" (our "government") to tax the profits of "free enterprise" and reduce the net income from which lobbying funds could come. Income tax was and is a violation of the original Constitution of the United States, and the Bill of Rights. The States were supposed to tax the people 'by-the-numbers' to collect the necessary support for itself and to pay their fair assessment for the support of the Federation. Income tax does its bit to keep down the opposition's (people's) 'power to influence' while it has absolutely no effect on the Monetary Authority, because the "tax" is collected in the "form" of "money" and the Monetary Authority and commercial banks get all their "money" for nothing.

In spite of the Income "Tax", private business managed to continue and in fact, by greater technilogical advancements, increase its production, trim its overhead and make a profit.

Next Social Security was introduced to carry out a new way for the Monetary Authority to influence the 'opposition's' "take-home pay" and keep the non-bank public on the borderline of existence. Income "Tax" was assessed on the basis of net profit. Social Security was a "tax" that could be taken without regard as to whether or not there was a profit.

Along with the necessity to withhold income tax and social security "tax" from the employee, the employer was required to MATCH THE FUNDS deducted from the employee's pay for social security. The employee was receiving a fair share of the profits of the business in the form of wages, NOW BY LAW, the 'Fed.' could INCREASE the share of income of the business that would be TAKEN from the business before it could be given to the employee as an increase in take-home pay. And it could do all this without any regard as to whether it was fair or not. The true nature of this diabolical thing is exposed when it is observed that under the law, if an employee has too much taken out of his pay in a year (because of two or more jobs) he can get a refund, but the employer cannot get a refund of his 'MATCHING FUNDS'! Once a requirement like this is established by an Authority, the victim is at the mercy of the Authority, for AS LONG AS "money" is accepted in exchange by the non-bank public, and the system is continued. No matter HOW MUCH "money" that business may be able to send to lobby for a change in the law; the

Monetary Authority can out-bid them. You would have GREATER success fighting the ELECTRIC utility with an ELECTRIC machine gun (you could throw it at them)!

When it is necessary for the Monetary Authority to bring a prosperous city or state to 'heel', they employ methods that have proven themselves over a period of time and in various circumstances. A prosperous city or state paying all its debts on time and actually improving its public facilities is approached by a Federal agency with a proposition: you put up 50% of the cost of a new highway and the "government" will MATCH THE FUNDS with 'Fed.' "money." The City or State is influenced to increase spending beyond its means to GET the 'MATCHING FUNDS'. The City or State may or may not see their tax revenue being used up to rapidly and decide to pass-up a few propositions. The advertising campaign is then begun, through T.V. Radio and Newspapers and the non-bank public is subjected to all kinds of rhetoric on pollution, crime, criminal rehabilitation, etc.,etc. until pressure is brought for the city or state to accept the "government's" kind offer. So the city or state finds itself employing more Police, more Pollution Control Inspectors, more employees at the prisons etc; etc; with the increased cost of maintaining all these expenditures the city or state begins to falter financially. "Government" then comes to the rescue with another proposition; "Revenue Sharing". The "government" agrees to refund to the city or state, some of the funds collected from its residents, by the "government." Federal grants will be made by "government" to the city or state to help pay the increased costs of the expanded

Police dept, Educational expense, Pollution control, upkeep of streets and highways etc., etc. It should be understood that if St. Louis, Missouri gets a share of the taxes 'paid-in' by New Jersey residents so that St. Louis can have a new Symbolic Arch; that New Jersey is getting a portion of St. Louis resident's taxes 'paid-in' to get the Mosquitoes out of their swamps, in reality, 'nothing is for nothing' to the non-bank public!

Somehow it must be seen that the cities and states are being influenced to spend "money" for projects that good financial management would never permit them to attempt. Expecting to get, SOMETHING FOR NOTHING, is the most powerful incentive to lead someone astray that was ever invented, it is like the 'Pidgeon-Drop', a con game scam. 'Matching Funds' & Revenue Sharing' are just such diabolical schemes; like the cruel trick of hanging a sausage from a stick tied to a dog's back, so he will run himself to death; so are our cities and states rushing headlong into financial oblivion!

The purpose for all this is 'CONTROL'. The city or state through its Mayor or Governor respectively, attending a Mayor's or Governor's council in Washington, asks for handouts from "government" (grants). GRANTS FROM THE MONETARY AUTHORITY THROUGH ITS "FRONT" OUR "GOVERNMENT" ARE THE MOST EXCELLENT MEANS OF IMPOSING POLICY DIRECTIVES!

> "If you collect the money--you disperse the people!
> "If you disperse the money--you collect the people!
>
> Ancient Chinese Proverb

Translation: "He who pays the Piper calls the tune!

IN WASHINGTON TODAY: "When "money" talks - everybody listens!" "Those with the most "money", control the most votes."

If the city or state does not CONFORM to the "SUGGESTIONS" of the Monetary Authority presented through its "front" the "controlled Congress, then the MATCHING FUNDS & REVENUE SHARING FUNDS are WITH_HELD until the city or state DOES conform. The system guarantees that no matter how much independence the public tries to maintain through its elected officials, in reality, its elected officials ONLY LISTEN to the DIRECTIVES of the group that put up the "money" for their election. The people only get the privelege of VOTING for candidates. Their 'CANDIDATE CHOICES' are DECIDED FOR THEM by those already in power. The perpetuation of the system AS IS is ASSURED because the one ELECTED will be one of those PRESENTED for the VOTES. It doesn't matter what 'party' affiliations a candidate may have, because in the end all elected officials are compelled, directly or indirectly, to respond to the directives of the Monetary Authority.

It does not matter what you CALL the system it still allows CONTROL OF A NATION'S PUBLIC to be vested in one INDIVIDUAL; the one who directly controls the Monetary Authority. The Founding Fathers with their Constitution gave us a Limited Republic, the 'Fed.' made us believe it is a Democracy (majority rule) when in FACT we really have an OBSCURED 'MONARCHY'!

"...the world is governed by very different personages from what is imagined by those who are not behind the scenes."

Benjamin Disraeli

HOW INDUSTRY IS FORCED TO BECOME DEPENDENT ON THE BANKS

'Rolling over' debt is the inevitable means taken by mostly all industrial borrowers who eventually arrive at the point where they cannot meet the principle and interest payments on time. It is inevitable because as the volume of "money" increases and the resulting increased bidding per unit of production or service rises ("price inflation") industry finds itself having to add more to the selling "price" of its output. They pay more for labor and materials and charge more for their products, and it would appear that everything balances out. However this is not so. With larger salary and wage payments there are larger wage withholdings and the necessity for industry to match the withholding. So much out of the employee's pay must be matched by the employer that this alone increases overhead OUT OF PROPORTION to the allowable price increase on the production.

Taxes are applied with sliding scales and although the manufacturer gets a higher price per unit produced and the yearly monetary numerical total income is higher, raising his tax base, the total number of units produced remains the same, for the same number of employees. The tax base on higher wages is also a sliding scale, the higher the pay, the higher the percentage of tax to be withheld, and the higher the amount to be paid by the employer. So even if

the employers were allowed to reflect all wage increases and material costs in price increases -- they would still continue to suffer because the sliding scale applied to their tax base would reduce their net income. This is the classic story of our nation since 1966 when the first SUPER EXPANSIONS of created "money" began. Industry faced with SHRINKING NET INCOME at the same time as HIGHER GROSS INCOME keeps trying 'new management', 'new accounting methods' defering debt etc., but the longer they 'hold on' the greater the differential becomes.

With net income shrinking, industry finds it increasingly more difficult to meet its interest burden. All efforts to expand the business only makes it worse. The depreciation taken against equipment is past years cannot possibly buy the updated replacement in the present "inflated" economy, because Congress did not allow an "inflation" adjusted increase in depreciation allowances. In an effort to get the TAX ALLOWANCE FOR NEW EQUIPMENT PURCHASES industry borrows more "money" to expand with and goes deeper in debt with still higher interest burden. Industry finally cannot pay the principle and interest on time and simply has to borrow a LARGER AMOUNT to "pay-off" the EXISTING AMOUNT and to get some EXTRA for current expenses.

The gross national product (G.N.P.) is the exchange value of the total amount of goods produced annually expressed in monetary terms (dollars). The G.N.P. keeps increasing as higher prices per unit of production makes the total exchange value higher, even if the number of units remains constant or falls. With a RISING

'monetary expressed'G.N.P. (false G.N.P.) and a FALLING amount of actual produced units (real G.N.P.), which is the actual case now, eventually even the price increases will not make-up for the lack of production. The REPORTED G.N.P. falls, exposing the truth that the UNITS PRODUCED (real G.N.P.) has been falling rapidly. Official statistics now report a "G.N.P." and a real G.N.P..

The high unemployment rate confirms that the interest burden has finally seriously effected our industrial productive capacity. As the two G.N.P.'s (real and false) fall the total gross and net earnings are falling for mostly all of industry, however, the DEBT and its BURDEN ("INTEREST") are still there and RISING. The debt to assets ratio keeps rising and units of industry begin to collapse. Corporations in existence for over one hundred years find they cannot survive. The G.N.P. falling indicates the whole income producing industrial system is collapsing, the high unemployment rate confirms it.

NON PRODUCTIVE 'MAKE WORK' JOBS AUTHORIZED BY CONGRESS, TO EASE UNEMPLOYMENT, ARE A DRAIN ON THOSE STILL PRODUCING INCOME AND PAYING TAXES BECAUSE THE 'MAKE WORK' JOBS DO NOT PRODUCE ANY INCOME AND THEY CONSUME TAXES!

With NET INCOME FALLING, INTEREST on BORROWING and TAXES to pay for unemployment insurance, welfare, etc. RISING the INEVITABLE COLLAPSE of INDUSTRY is a POSITIVE CONCLUSION.

When government officials see this happening they discuss whether or not to correct the situation by repealing the Legal Tender Act and returning to a 100% reserve system. The Monetary Authority

manages to convince them that any exposure of the truth would be an indictment against those in office and that the 'TRUTH WILL NOT SELL' (buy votes for reelection). Congress is influenced by the Monetary Authority to believe that there is nothing wrong with the system- it just needs some 'FINE TUNING'.

Congress is influenced by the monetary authority to pass laws giving "tax breaks" to the sufferers (individuals and income producing corporations). Congress is influenced by the Monetary Authority that an 'incomes policy' must be introduced; because if people did not spend their earnings so freely prices would not rise so rapidly. Here for the first time we hear the "OLD ECOMOMIC LAWS DO NOT SEEM TO BE WORKING ANYMORE 'EXCUSE ROUTINE', FROM OUR ECONOMIC ADVISORS. IT USED TO BE: "THE MORE PEOPLE EARN AND SPEND THE HEALTHIER THE ECONOMY WILL BE." Now we must have 'income policies, to fine tune the economy. An 'income policy' is the different ways that the non-bank public spending can be influenced such as: INCOME TAX, INCOME TAX SURCHARGE, COMPULSORY SAVINGS, SOCIAL SECURITY, MEDICARE, MEDICAID, SOCIALIZED MEDICINE ETC. ETC..

Meanwhile congress is influenced by the Monetary Authority to authorize greater expenditures for all sorts of aid programs. Pseudo - Quasi, Government-Private enterprises and schemes to 'keep the economy going' and 'sponsor the recession recovery' are tried, Amtrac, semi-private postal service, etc., etc.

To "pay" for all of this the Treasury must issue greater amounts of debt instruments to the non-bank public to get the "money" with which to "pay." The debt must be recycled as rapidly

as possible (do not spend your Social Security Check deposit it).

THE TREASURY IS ROLLING OVER DEBT SO RAPIDLY NOW THAT THE BUREAU OF ENGRAVING AND PRINTING MUST USE PRESSES THAT ONCE PRINTED PAPER TOKENS ("DOLLAR BILLS") TO NOW PRINT DEBT PAPER (BONDS & TREASURY BILLS).

> "Those machines over there," says Mr. Baron, pointing to two whirring presses, "used to be printing currency, but now we have them working pretty steadily on the debt."
>
> Mr. Arthur Baron- Foreman Bureau of Engraving & Printing Washington, D.C. Front Page Wall Street Journal 9-30-75

> "The Treasury is issuing these fancy pieces of paper at a once-unthinkable pace of more that $1.5 Billion a week."
>
> James P. Gannon - Staff Reporter Front Page W. S. J. 9-30-75

As the Treasury 'rolls over' debt, constantly borrowing LARGER AMOUNTS to "pay off" EXISTING AMOUNTS the "money" volume grows WITHOUT RESTRAINT. In reference to the GERMAN INFLATION of 1923:

> "Rates were quickly reached, however, that completely disrupted the economy, and they could not be long continued. The attempt to enlarge the revenue in the closing months thus produced the characteristic pattern of the hyperinflation: price increases did not peter out; they exploded."
>
> Page 23 St. Louis Federal Reserve Bank Review February 1975.

HOW UNLIMITED CONFIDENCE WILL NOT PREVENT THE COLLAPSE!

With the "creation" of the first "dollar" came the beginning of its end. The "dollar" is a unit of 'monetary roll-over'. The economic system of the U.S. has changed from an original one based on private property as mediums of exchange to one based on a system of extended credit created by the commercial banking system allowing everyone to just borrow their way into hyperinflation.

The accepted principle of 'modern money' is to use records of 'who owes who', kept by the commercial bankers, and accepted by the non-bank public as its medium of exchange. Instead of gold and silver certificates ("claim checks" on gold or silver coin stored for their redemption) we now use Federal Reserve "notes." Fed. "notes" are the replacement for the gold and silver certificates, but are not the same in several ways. The 'Fed.' "note" is not a claim on a 'record of debt.' It is a token that represents the right of its holder to transfer the 'record of debt' to a NEW holder in exchange for private property.

A 'Fed.' "note" received in exchange for private property is physical evidence that there is a unit of transferable debt on the books of the banking system that the 'Fed.' "note" represents. The 'Fed.' "note" is a token that will allow the holder of it to claim the private property of another person later on in exchange for it.

Each recipient of a paper token is IN REALITY accepting a unit of ROLL OVER 'record of debt' (modern "money") that the paper token represents a 'right to transfer', until he exchanges it for the private property of another. While the paper token is held it ONLY HAS the value he EXPECTS to get for it; TOTALLY PSYCHOLOGICAL.

In the past each recipient of a gold or silver certificate was IN REALITY accepting a unit of gold or silver coin that the certificate can be used to obtain ON DEMAND. While the certificate is held it HAS the value of the gold or silver coin it can be used to redeem; TOTALLY REAL AND LOGICAL. With gold and silver certificates we were using "warehouse receipts" as the medium of exchange. With MODERN "DOLLARS" we are using units of 'imaginary claim' on FUTURE PRODUCTION as the mediums of exchange, that is why we are told to BELIEVE that the G.N.P. "BACKS" the "DOLLAR."

'Backed' was a word applied to the "dollar's" 'IMAGINED' gold reserve when all actual REDEMPTION FOR GOLD COIN was removed from all paper tokens representing "dollars." It was used to facilitate a belief on the part of the public that 'backed with gold' and 'redeemable in gold' were similiar terms. Actually 'backed' DOES NOT mean 'redeemable.' Eventually the total absence of any gold for "dollar" redemption was OFFICIALLY ACKNOWLEDGED and the story was tendered that gold 'backing' was not necessary; we owed it all to ourselves and therefore the G.N.P. 'backed' the "dollar." This promoted the idea that a "dollar" "held" was a claim against the future production and services of other 'holders.'

IN THE PAST AN EXCHANGE WAS COMPLETED WHEN BOTH PARTIES HAD RECEIVED THE 'COMPARABLE VALUE RETURN' FOR 'WHAT' THEY HAD OFFERED IN EXCHANGE.

What really occured was that when someone "bought" some 'thin for a certificate claim on gold is that the 'thing' was received in exchange for its parity in gold. The certificate was just an interim 'paper token' (accepted as a medium of exchange) acting by proxy FOR the gold.

THE 'THING' THAT EXCHANGED FOR WHATEVER WAS "BOUGHT" WAS THE GOLD ITSELF (A COMPARABLE VALUE).

BUT!

A certificate that was a claim on ONE OUNCE OF PURE GOLD - COULD NOT be used to "purchase" ONE OUNCE OF PURE GOLD!!! *Just the costs of regular business overhead, handling, shipping, insurance and sales tax would have made it prohibitive.*

IN FACT THE "DOLLAR" REDEEMABLE IN GOLD COIN DID NOT EVER "PURCHASE" GOLD! THE REDEEMABLE "DOLLAR" WAS JUST AN INTERIM PAPER TOKEN (ACCEPTED AS A MEDIUM OF EXCHANGE), ACTING BY PROXY, FOR THE GOLD COIN THAT WAS STORED AND THAT COULD BE OFFERED IN EXCHANGE FOR ANYTHING OF COMPARABLE VALUE EXCEPT GOLD!

It is an accepted "FACT" that the "DOLLAR" can PURCHASE the Gross National Product (G.N.P.). Let us examine the meaning of the words 'backing' and 'purchase' as used, by the following word "equation."

TAKE EACH STATEMENT AND DECIDE IF IT IS TRUE OR FALSE!

1. The "dollar" can 'purchase' the G.N.P.................True

2. The "dollar" cannot be 'backed" by the thing it 'purchases'!..................................True

Because if it were it would be at a loss to the seller of overhead and various other burdens on sales.

3. The "dollar" cannot 'purchase' the thing that 'backs' it!......................................True

Because if it were it would be at a loss to the seller of overhead and various other burdens on sales.

4. Conclusion: "A"

Only an 'unbacked' "dollar" can 'purchase'.......True

5. Conclusion: "B"

'Purchase' is a word to express expropriation....True

THE "DOLLAR" CANNOT BE 'BACKED' BY THE G.N.P.!

If a farmer sold a Watermelon for one "dollar," the "dollar" the farmer holds would be 'backed' by the Watermelon he sold. If the buyer was to EAT the Watermelon, there would no longer be any 'backing' for THAT "dollar."

"Dollars" which are "claims" on future production and services of others EXPROPRIATE THAT PRODUCTION upon ENTERING the economy. Since they are not 'warehouse receipts' there is NOTHING that can be brought INTO the economy by "dollar" redemption. The "dollars" accumulate and as the volume increases the exchange value of each unit decreases requiring more units per unit of production in exchanges. The volume forever increasing causes additional units to

be bid per unit of production which is referred to as "prices" RISING.

"Prices" "rising" are proof that the increase in the volume of "money" is proceeding at a faster rate than the increase in production. The increase in the "money" volume is regulated by a 'reserve requirement' expressed as a percentage. A portion of that which was CREATED BEFORE returning as "DEPOSITS" in the system is called "reserves." In order to prevent "prices" from "rising" too fast, the rules of the system specify that the creation of NEW "dollars" be in proportion to the "reserves."

The "reserves" being the portion of previous 'creations' that have not been used to bid up "prices" as yet, the difference between the VOLUME CREATED and the volume 'NOT YET USED' is the amount USED SO FAR! By basing NEW CREATION on the portion of old creation 'NOT USED YET' (reserves) the new creation can be kept PROPORTIONAL to the amount of previous creation BEING USED. That is how the 'reserve requirement' QUALIFIES as a regulating device.

When the system was young, (1913-1930) the reserve requirement was high because the volume of accumulated "dollars" was low and the "interest" burden did not require large 'roll-over' borrowings. As the system progressed large volumes of newly created "dollars" were needed to feed the "interest" burden of the accumulating mass and the 'reserve requirements' were adjusted accordingly. Some "dollars created on one day, as a multiple of the 'reserves' return on a subsequent day to be 'reserves' themselves, upon which the multi-

plier will be applied to justify creation of many more "dollars." The system generates its own procreative force "interest" and the 'reserve requirement' is simply adjusted downward to allow the creation of NEW "dollars" to accelerate. If the 'reserve requirement' were kept at a CONSTANT percentage the volume would still INCREASE at an ever INCREASING rate. The volume of "dollars" increasing over the many years has reached an accumulation with an "interest" burden that is greater than the total productive capacity of this nation is able to support. With income from production unable to support the "interest" burden, borrowers are forced to 'roll-over' (establish a new line of credit to pay off the old one). Rolling over debt does not eliminate debt; it is IMPOSSIBLE for anyone to BORROW themselves OUT of debt.

Creating more "money" faster to facilitate the 'rolling-over' of debt for some big borrowers like the Treasury, Ginnie May, Reits, etc. simply 'buys time' by postponing the immediate collapse by default, at the expense of shortening the time to the day, which will arrive, when the system cannot create "money" fast enough to accomodate ALL borrowers 'rolling-over'. As some borrowers are unable to 'roll-over' (restructure their debt) they default and go bankrupt. Businesses in operation for over one hundred years, collapse and cease operations. As more businesses fail and production drops further the gap between "money" volume and production increases.

As the volume of "money" increases and the volume of production falls it causes PRESSURE on "prices" to "rise" ("dollars" to depreciate) and the 'reserve requirement' is powerless to prevent

their "RISING" ("dollars" depreciating). As time passes the "prices "rise" at a faster rate, businesses collapse at a faster rate, unemployment rises at a faster rate. "Prices" "rising" IS the purchasing power of the "money" falling and when it falls far enough it becomes impractical to use. The numbers become too large for adding machines and calculators. "Prices" change so rapidly that Life Insurance becomes impractical. The 'face value' of a policy isn't enough to mail a letter just weeks after the policy is placed in force. Catalog "prices" must change so rapidly that a system of 'base prices' are used with a rapidly changing 'multiplier' which is adjusted daily. Eventually "prices" "rise" ("money" depreciates so rapidly that it becomes totally impractical to use "money." People are forced to exchange things directly. A Baker refuses to sell bread, but will readily trade bread for flour, eggs, butter, o milk. Shortages and "prices" CHANGING too rapidly makes obtaining materials with "money" an almost impossibility and whether people believe it or not the collapse is REAL and they MUST acknowledge it by refusing to accept "money."

THE "DOLLAR" WILL HAVE COLLAPSED!

HOW THE "DOLLAR" COLLAPSE WOULD TRIGGER WORLD MONETARY COLLAPSE!

In any other time in our history (last 200 years) the end would come as an exchange of paper tokens is ordered with a substantial depreciation of the "currency" being phased out. A new "dollar" with new guarantees of constant value in exchange for a thousand of the old "dollars." It is done by closing the banks and moving the decimal point three places to the left on all ledger accounts. Germany in 1948 moved the decimal point one place to the left. France in 1960 moved it two places to the left. Brazil in 1967 moved it three places to the left. Chile in September 1975 moved it three places to the left and changed the name of its unit back again from ESCUDO to PESO. It took 1,000 old Escudos to get one new Peso. In our case if you had ten thousand "dollars" in the bank ($10,000.00) and they moved the decimal point three places ($10.000 00) you would have only ten "dollars" ($10.00) when they reopened.

The paper tokens are reduced in QUANTITY by rubber-stamping 'one cent' on a "ten "dollar" bill". Metal tokens are punched or distorted to change their volume parity with new issues. The collapse of the "money" this time will not be in the usual manner as just described, because this time it is not a single currency or one nation that is about to suffer monetary collapse. This time the whole world is involved and the banking system of the world will collapse. The world "currencies" were tied together in 1944 at

Bretton Woods with the formation of the International Monetary Fund (I.M.F.). The U.S. "dollar" was accepted as a "reserve" "currency" ("constant" unit reference for all other "currency" parities) and the coming total collapse of the "dollar" will effect all other currencies. This explains the 'support' of the "dollar" all around the world. Every nation is supporting the "dollar" at a tremendous cost to their own monetary well-being in order to postpone the total collapse of the world wide monetary system. The other nations create massive amounts of their "money" to buy "dollars" to POSTPONE its collapse, when it should be observed that the collapse IS COMINC because the volume of "money" is too great. Why then do they increase the volume when it is the volume increasing that is causing the inevitable downfall of the "money" system? Is there conflict?

INCREASING VOLUME CAUSES COLLAPSE.

INCREASING VOLUME POSTPONES COLLAPSE.

WHEN THE COLLAPSE DAY ARRIVES IT WILL BE SUDDEN, TRIGGERED IN ONE OF MANY POSSIBLE WAYS. THREE POSSIBLE WAYS IT COULD HAPPEN:

Collapse Trigger #1. would be if the "prices" "rising" too rapidly: in reality the "money" purchasing power falling too rapidly, triggered an AWARENESS of the inevitable collapse to the public and they lost confidence in the "money." The public losing confidence in "money" would try to rid themselves of it IMMEDIATE and in so doing trigger the "PRICE" RUN-A-W that would make the collapse immediate.

Collapse Trigger #2. would be if the volume was restrained to hold down "price" "rises" thereby making 'roll-over' difficult and triggering bankruptcies and loan defaults which would collapse the banking system.

Collapse Trigger #3. would be the final physical inability of the system to create new "money" fast enough to facilitate all those borrowers that wish to 'roll-over' debt. It is this PHYSICAL END to the accelerating volume, that is speeded up by the increases to that volume. There will be a time when increasing the volume will not be practical.

The problem is how to sustain the system for as long as possible. When the "money" volume is increased it facilitates 'roll-overs' and allows the system to perpetuate itself; but some of the increase is used by the public to bid up the "prices." If "prices" "rise" TOO RAPIDLY it will trigger loss of confidence and trigger immediate "price" run-a-way (hyperinflation) which is collapse #1. If the volume DOES NOT increase fast enough it will cause bankruptcies due to lack of LIQUIDITY ("money") for 'roll-overs' and defaults on loans will collapse the banking system from within which is collapse #2.

THE EFFORT IS TO ALLOW SOME BANKRUPTCIES AND DEFAULTS TO OCCUR ONLY WHEN IT IS IMPERATIVE NOT TO TRIGGER THE "PRICE" RUN-A-WAY CONDITION INTO BEING COLLAPSE #1.

Geometrically progressing increases in the "money" volume will cause the system to collapse, because it hastens the day when it will be physically impossible, even with electronic-transfer to record the numbers fast enough (collapse #3).

THIS IS THE END THAT WILL OCCUR BY THE NATURAL LAWS.

But the increasing "money" volume also causes "rising" "price which, if too rapid, will psychologically effect the public and cau loss of confidence which will trigger run-a-way "prices" and total collapse that way. The Monetary Authority alternately loosens and tightens the "purse strings", to first postpone collapse from one condition and then from another. Loosening speeds up the inevitabl (collapse #3), while slowing the immediate psychological collapse #1 and tightening causes bank failures jeopardizing 'roll-overs' (collapse #2).

LOOSENING THE "PURSE STRINGS" MAKES ROLL-OVER EASY BUT INCREASES THE POTENTIAL FOR "PRICE" RUN-A-WAY CAUSING COLLAPSE #1.

TIGHTENING THE "PURSE STRINGS" DECREASES THE POTENTIAL FOR "PRICE" RUN-A-WAY, BUT MAKES ROLL-OVER DIFFICULT INCREASING THE POTENTIAL FOR DEFAULT AND BANK FAILURE CAUSING COLLAPSE #2.

CUTTING THE "PURSE STRINGS" INCREASES THE POTENTIAL FOR "PRICE" RUN-A-WAY AND MAKES ROLL-OVER EASY HASTENING THE DAY WHEN IT WILL BE PHYSICALLY IMPOSSIBLE TO RECORD THE NUMBERS FAST ENOUGH TO PERPETUATE THE SYSTEM CAUSING COLLAPSE #3.

The system had progressed beyond the point of no-return. No matter what the Monetary Authority may decide to do the collapse

is inevitable. No amount of confidence can carry the system beyond its physical limits. The units of imaginary mediums of exchange are used by the public in everyday exchanges for goods and services. When they are no longer able to "purchase" the necessities to sustain life, the public in the misery of starvation will defy the state and resort to bartering.

> "Money" is accepted in exchange for wealth only until the psychological nature of "money" is exposed, or until the wealth expropriation consumes most of production and the public begins to starve."
>
> Jenkins Economic Truth #20
>
> "Money" the greatest HOAX on Earth"

The above holds true for the other nations of the world that are members of the I.M.F.. They are all approaching the physical limits of their sections of the over-all world monetary system. The bankruptcies are increasing and the juggling of the "money" volumes is reaching unmanageable proportions. The expropriation of wealth is trickling down to the last pockets of wealth in the world left to dissipate; the suppliers of raw oil, copper, aluminum, coffee, sugar, and spices etc., etc.. World wide industries are following the paths of national industries like Penn Central, W.T.Grant, and others into bankruptcy. "PRICE" "RISES" in other lands are accelerating faster than in the U.S.. The world wide monetary system is fast approaching its physical limits to perpetuate itself.

The collapse of any one singular nation is being postponed by the support being tendered by others in an effort to postpone the collapse of the system as a whole. The nations of the world are all

suffering the collapse as a whole but are individually INCREASING their OWN potential for collapse by helping to postpone the collaps of the 'weakest link' in the system as it becomes apparent. The result is the strengthening of the weak by the weakening of the strong and an inevitable collapse of ALL AT ONCE. A sudden cataclysmic crash of the world monetary system due to some eventual 'straw-that-breaks-the-Camel's-back' trigger: probably a series of bank failures somewhere in the world.

The result of this weakening of the strong to strengthen the weak to postpone the enevitable, will be the abatement of the 'Dominoe Theory' of collapse. The very process of letting the weakest one collapse and it leading to the next weakest to collapse IS the 'Dominoe Theory'. What they are doing will lead to a NEW theor which is herewith tendered: THE JENKINS 'BALLOON THEORY'.

Webster: Balloon: = to inflate; to expand.

Inflate: = to expand 3. to expand or increase abnor ally or improperly; to extend imprudentl as, to inflate currency or credit.

"Money" has been expanded and increased abnormally and improperly. "Money" has been extended imprudently and like a balloon whe the end comes it will be as though a balloon were pricked. The mor inflated a balloon becomes the more vulnerable it is to sudden collapse due to bursting. The more inflated it is at the time of bursting the harder it is to find a piece of it after the SUDDEN collaps

THE WORLD MONETARY SYSTEM IS BUILDING UP TO A SHARP AND SUDDEN COLLAPSE. IT WILL EXPLODE LIKE A PRICKED BALLOON!

HOW TO RETURN TO GOVERNMENT AS A SERVANT OF THE PEOPLE!

If the Government were dependent upon the public for support then the public would direct the policies of Government. Government would be a servant of the people.

The public does not direct the policies of Government or we would not have: Income tax, Social Security tax, Forced Bussing, Matching Funds controls, Revenue Sharing domination, Imperial grants to colleges and universities which enforce directed courses.

If the Government was independent it would not require the support of the public and would direct its own policies and be nobody's servant.

The Government is not independent or it would not "require" tax collections for its support. If it collects taxes from the public, but is not the servant of the people, then what ever happened to the natural law:

HE WHO PAYS THE PIPER CALLS THE TUNE!

The answer lies in the NATURE of what the public "pays" its taxes with. If all money today were gold and silver coins or other forms of tangible production then the public as its producers would be the only source. Government requiring these tangible items with which to pay its bills, would naturally have to obey the wishes of

the public and the public would direct the policies of Government.

The public still produces tangible goods. Gold and silver are still mined, but they are no longer being used as the monetary mediums of exchange in the world.

The Government today is dependent upon the commercial bankers who as the Monetary Authority (Federal Reserve System) have an OPEN ENDED CHECKING ACCOUNT and produce all the monetary medium of exchange called Monetized Debt. It is this Monetized Debt we call "money", that is the thing the public "pays" its taxes with.

Since the Government 'deficit spends' (spending huge amounts beyond that which it collects in taxes) it must have a source BEYOND taxes. The only source of Legal Tender is the Monetary Authority (Commercial Bank Members of the Federal Reserve System), therefore the Government is dependent on the commercial bankers (even the public must get it from them). The bankers direct the policies of Government and hold in THEIR HANDS the destiny of the people.

HE WHO PAYS THE PIPER CALLS THE TUNE!

Is exonerated, it is still true, it is still very valid! The public just doesn't seem to realize, that it no longer pays the Piper; the banker does, (if the public refused to pay all taxes Government would still continue to spend).

Government Treasury prints notes, bills, and bonds, and borrow from the bankers directly and from the public, who gets it from the banker also. The Monetized Debt as "money" is the only medium of exchange that is legal tender and must be used, therefore the creat

of that, is the supreme will in power over the public and "their" Government today.

For the News Media to proclaim and the public to accept, that what we have is what we want or we would not have voted for it, is an untruth. We are responsible, we let it happen, that is true, but what we voted for and thought we were getting is something entirely different.

Our lives and our very pursuit of happiness is being suppressed by a very oppressive force. That force is ruining business and industry, perverting the judiciary, killing our children, in no-win wars and distorting every facet of natural law.

We are being forced to accept an idea, that what we want it cradle-to-the-grave welfare and direction from an elitist group that will take care of us, as though we were cattle.

There are those who, after spending many years in prison, when released, are so lost they only want to get back inside again. But, give any number of people a free CHOICE of prison life or freedom and they will choose freedom. Why then are they voting for and supporting this inexorable, inevitable-outcome-assured, movement to a totally controlled and docile society? Why? Because the power of this force Monetized Debt is being used to convince the public, that IS what they want!

Social Security, Medicare, Medicaid, Forced Savings, Socialized Medicine, Consumer Protection, etc., etc. are all designed to destroy

our sense of responsibility to ourselves. To make us totally dependent on the creators of Monetized Debt "money" so that our PRODUCTION can NEVER AGAIN be our source of INDEPENDENCE.

How can the public ever return Government, to the role of 'servant of the people', if the public themselves cling to the disruptive power and the corrupting influence of Monetized Debt? The public must refuse to use it first and use their own produced goods as mediums of exchange to destroy the power of Monetized Debt "mone

The public may allow Government, to continue to use the monetized debt. The public though should only use tangible mediums of exchange, gold, silver, copper coins at commodity parities in their personal exchanges. The monetized debt tokens would then depreciate so rapidly, that Government would be forced to accept, the will of the people. Government would return to allowing tangible goods to be used as mediums of exchange, by removing the Legal Tend Act.

The proof of this, is in knowing, that only the public produc the goods and services that Government must have to operate. If th public gave Government all that it demanded as taxes, in the form o monetized debt "money", but refused to accept monetized debt "money FROM EACH OTHER, for goods and services, the result is obvious.

The public in order to pay taxes in monetized debt, would demand huge quantities per unit of goods, from Government, but use on tangible mediums themselves. If Government tried "Price Controls", the public would go "underground" with their markets and Government

would be forced to offer huge quantities of monetized debt to get goods, through the "Black Market."

There is not one case in history where, when the people resorted to "underground free markets" ("Black Markets") that the Government did not have to give-in and return to reality.

HE WHO PAYS THE PIPER CALLS THE TUNE!

With tangible goods as the mediums of exchange and no, RIGHT-OF-CONTRACT-DESTROYING, LEGAL TENDER ACT, Government would have to depend upon the public for support. The public would direct the policies of Government and the Government would once again, truly be, the SERVANT OF THE PEOPLE.

HOW THE SYSTEM'S "ACHILLES HEEL" OFFERS THE SOLUTION!

"If you collect the money you disperse the people
"If you disperse the money you collect the people"

Ancient Chinese Proverb.

"He who pays the Piper calls the tune."

Anonymous

"Those who create and issue money and credit direct the policies of government, and hold in the hollow of their hand the destiny of the people."

Sir Reginald McKenna 1922

"Modern Money accepted as a medium of exchange subjects people and their government to the influence of its creator!"

Merrill M. E. Jenkins Sr. M.R. 1971

The great mass of people on Earth are not leaders, but are followers. They follow those that appear to prosper with less effc than themselves. As an instinct humans observe the efforts and conditions of fellow humans and if their neighbor's lot seems an improvement over their own, they tend to emulate them. Any instruction from the neighbor as to how they may acquire easily what he has, is accepted with alacrity, and as this passes up the line each leader of a lower level becomes a follower of an upper level. It is this natural instinct that gives rise to the successful application of a 'chain of command'. This condition accounts for an error

made at a high enough level being transmitted to the mass of the public without them ever becoming aware of the error or its consequences.

If a basic premise is wrong, but the structure built upon that false premise is sound and logical then mankind can be kept from ever examining the basic premise! The longer the 'false', but apparently true superstructure is accepted the firmer it becomes in the minds of mankind.

> "Repeat a lie often enough and it becomes fact in the public mind."
>
> Adolph Hitler

The longer it remains undetected the more difficult it is to expose a false premise. Resistance to change builds with time due to familiarity and association causing less individual thought and effort required to perform a function. Changes always cause increases in the amount of human effort required to perform any given function and mankind has always sought to satisfy its desires with the least amount of effort. Thinking is a very special ability, that in fact raises mankind above the level of animal, but it appears to require a greater amount of effort than physical labor.

> "There is no amount of physical labor man will not resort to to avoid the effort of thinking."
>
> Thomas Alva Edison

If the public was to give some thought, they could not accept such concepts as 'Monetized Debt' which is based upon the basic premise that the more you borrow the richer you become.

Thinking about the existing conditions today. The governme insists that the G.N.P. "backs" the "currency" in "circulation." It APPEARS true because an individual has to work to get "currenc therefore it is expected that others will give up their productio or possessions to get it, (logical and rational superstructure). The Monetary Authorities (the commercial banks) that issue the "cu rency" say that the "currency" represents the monetization of deb and that in fact, nothing backs the "currency." "Currency" is accepted by individuals, for their goods and services because they believe that some one else will take it from them later in exchan for other goods and/or services. No one looks beyond the fact th the "currency" is still being accepted in exchange. Three quarte of all the "money" created is created by private institutions whi through its purchasing power, exact three times greater influence upon government than the public and actually hold the non-bank pu lic as their slaves. (Ref. Chapter LXXI "Money" the greatest HOAX on Earth."

"...private institutions issue the largest part of the money stock..."

Page 16 Federal Reserve Bank of St.Louis Review February 1975

ON page 22: "The decrease in purchasing power incurred by holders of money due to inflation imparts gains to the issuers of money...."

ON page 23: "Monetary expansion and inflation...come about primarily as the result of actions of the monetary authorities."

On page 4: "When the Federal Government in June 1969 stopped trying to do anything about inflation it turned its activities toward developing scapegoats in order to get Americans to blame their neighbor for their problems. Had the scapegoat strategy not been so effective, it would be humorous."

The creators of the money pay for all costs of its production out of the quantity produced. They purchase all they desire in the world at no cost. They design and execute conditions to influence the public's honest response to be anything they want it to be. It is never necessary to bribe anyone directly to do anything, their form of bribery is much more subtle. They use money to create whatever condition is necessary to bend public opinion and reaction in whatever direction and to whatever degree their plans specity.

THOSE MANIPULATED HAVE NO IDEA THEY ARE BEING CONTROLLED AND WOULD VEHEMENTLY DENY IT IF THEY WERE INFORMED ABOUT IT. THERE IS NO LIMIT TO THE CORRUPTION THAT CAN BE INTRODUCED BY THOSE TO WHOM MONEY IS NO OBJECT!

Ask yourself how you would think and behave if you were the possessor of the exclusive right to create money that all the public must accept for their labor or possessions. (put yourself in the place of the commercial bank 'elite'). Your first thought might be to purchase the world and tell everyone else to get off! Your second thought would be to keep them for slaves. Your third thought would be to control the media and all means of commutation and production so they all had to conform to your indirect directives or starve. Through control of commutation and "their" elected government you could prevent them from leaving the flock. The public would be your sheep ready and anxious, through unawareness, to be shorn whenever you wished.

"YOUR" (BANKING ELITE'S) GREATEST CONCERN WOULD BE THAT THE PUBLIC (YOUR SLAVES) NEVER FIND OUT ABOUT YOUR EXCLUSIVE LICENSE TO BE SLAVE MASTER AND SECRET RULER OF YOUR NATION.

"These are the men who create the money we all spend....in effect they determine whether you will be able to buy a car, can afford to take a vacation or buy a new home. Their decisions can effect the security of your job....in the deepest secrecy they plot their strategy...everything is cloaked in deepest secrecy...in making decisions they check with no one--not the President, not the Congress, not the people."

Page 14 Parade Magazine October 26, 1975

"Your" (banking elite's) almost absolute control of the medi keeps the public quite confused but what about individual conversation. Some individual might find out the truth and tell another and that one, several others and they each many others and the wor could get out. One way to combat the truth being distributed by word of mouth would be to pervert the language so that a scientifi discussion about money could never take place.

"A pre-IMF seminar of eminent economists couldn't agree on what "money" is or how banks create it."

Front Page Wll Street Journal 9-24-1971

Another way would be to turn neighbor against neighbor and shut-off word of mouth communication. The easiest way would be to take advantage of the natural chain of command and direct your 'money-is-no-object' influence to control the nation's natural leaders, the ones the public looks up to and takes guidance from. "Your" (banking elite's) field of endeavor would be noticeably diminished and you could concentrate on a much smaller target. Keep the natural leaders confused and you have the entire public in your flock. As creator of money and master of all natural leaders (with out their awareness) you (as the banking elite) have THEIR control

of the elected officials they influence and the chain of command is whole and operating without anyone really aware of who the supreme commander is. Because of your control of government is SECRET and INDIRECT through the natural leaders *there is a way in which your control could be cancelled,* a new set of instructions fed through the system, the legal tender act rescinded and the public permitted to turn in their bogus "bucks" for whatever wealth is still remaining.

"Your" (the banking elite's) control must be secret, because if it were not then everyone would want the privelege of creating money and no one would work for it therefore there would not be any labor or production to steal. Your control is through the natural leaders who must be made to believe that they are the ones who are 'in charge'.

The natural leaders (big business men, fraternal club directors, university alumni, and union leaders etc., etc.) support Senators and Congressmen and lobby for laws which they think favor themselves- never really understanding the over all plan of the banking 'elite' behind the scenes. The natural leaders react to the money creator's suggestions and directives without ever realizing they are manipulated and are themselves vulnerable to the every whim of the banking elite. With the banking elite indirectly controlling the policies of government through the big corporate leaders and union heads (mechanics) using as tools the Senators and Congressmen they support, means that to initiate any action of the Congress that is not desired by the banking elite would necessitate that we ALERT THEIR DUPES (mechanics) to the truth and have them influence

those in Congress (their tools) to rescind the Legal Tender Act. the natural leaders really understood the part they play in the ov all exploitation of the public, as a whole, and themselves, they would not lose any time in initiating the repeal of the Legal Tend Act, (more specifically ITS REVERSAL and the reintroduction of re-deemable mediums of exchange).

To understand why electing new Senators and Congressmen will not get the changes the public needs to have, we have to resort to the transposition of terms more specifically. If the banking elit are the CONTRACTORS, the natural leaders are the MECHANICS and the Senators and Congressmen their TOOLS and you do not like what the are doing with the tools, then changing the tools will not have an effect upon the outcome. The only corrective measure would be to discharge the contractor and instruct the mechanics yourself. But the contractor has the 'money-is-no-object' POWER; discharging him and taking over his mechanics will have to be done with something more powerful than 'money'!

There is only one thing in the universe more powerful than money and that is truth. Money in huge quantities can keep the truth hidden for long periods of time, but in hand to hand combat the truth wins every time. We must remember that although the con-tractor (banking 'elite') have SUPER POWER through money, they are only able to use it SECRETLY to control the mechanics. There is the ACHILLES HEEL. No amount of money could bribe a healthy man to kill himself: once he knows the truth he will not act against his own best interests. The methods employed by the banking 'elite

to manipulate the population cannot stand the light of day. Once the method of control is exposed and understood, by those controlled, they would know their own power and act to return to the system of free enterprise in a free market.

To get BACK to free enterprise in a free market from the present degree of chaos requires some real knowledge about, WHO owes WHO, FOR WHAT. All the existing improvements apparent to the eye were constructed by the people who applied their labor to the structures and units of production. WE THE PEOPLE built and produced everything! If there had not been ANY EXPROPRIATION of wealth taking place everyone would have exchanged with each other and all debts remaining would be between individuals. To some who do not understand the mechanics of "monetizing debt" it would appear that the banks only loaned out money they borrowed from someone else and that automatically we owed all debt to ourselves, but that is not the way it is.

The commercial banks created and issued the money they made loans with and in so doing acquired the title to the wealth pledged for those loans. The cars we have, the homes we have and all the luxuries we have were all produced by the people who work, the banker never made any of it and yet we all owe the bankers for them. He created the money and issued it into the economy and as the initial "owner" acquired the wealth it purchased, by whatever means, for no effort on his part, all his expenses and salaries were "paid" out of the proceeds of the loans he made with the money he created.

"The bank hath benefit of interest
which it earns on money it created
out of nothing."

William Patterson 1694

All title to wealth still remaining and presently held by the commercial banks, having been acquired through the expropriation of wealth should be forfeited in a standard bankruptcy procedure with the title to all wealth they hold auctioned off to the highest bidder using as the bidding material all the bogus "notes" and recordings of the "money" previously created by the bankrupt system. Possession of any "dollar" balance of "currency" "notes" is perfect evidence of the bearer's right to bid for the wealth with it. Holding any "note" or instrument of the defunct entity is absolute proof of having been exploited of wealth or labor. Those individuals holding such "notes" or instruments wishing to accept a lessor rate of "redemption" FOR EARLIER RESTITUTION would bid HIGHER than others willing to wait until later for a greater rate of "redemption."

Each commercial bank group would be audited and the title to wealth vested in the corporate entity would be subject of Auction. Bank presidents, all other employees being human would have the right to bid with their "dollars" the same as anyone else. Shareholders of the commercial banks and savings and loan associations would be allowed to bid with only those "dollars" they have that were not obtained through the lending or other manipulation of CREATED "money", all other "dollars" would be forfeited and destroyed.

As all physical token 'Fed.' "notes" "U.S. notes" and records of "dollar" balances are use up in bidding they would be replaced by the public depositing gold, silver, copper and whatever other units of wealth the people would decide to use as mediums of exchange. All units of wealth would be recorded as to material, weight, and purity. All checks drawn thereafter by anyone would not be honored unless they stated in what material, weight and purity redemption was to be made.

All buildings and equipment owned by the entity bankrupted would either remain in the same hands or change ownership as determined by the outcome of the auction. The banks remaining in business in the absence of legal tender laws would be allowed to issue certificates of deposit just as the public may write checks. Bank deposit certificates would have to specify material, weight and purity for which it would be redeemed at the bearer's request, at any time during a normal business hour. The other banks may honor checks not drawn upon themselves subject to 'CLEARING' just as checks are handled today, with periodic shipment of wealth to and from banks to adjust balances. Any bank or entity issuing false certificates would be subject to severe penalties along with anyone who issued a bad check.

Lending operations would involve the lending of depositor's wealth under contract or the bank's own excess wealth with a rent specification involving material, weight and purity. The bank would charge a fee for handling checking accounts for its depositors and pay a fee for the use of depositor's wealth in lending operations.

No lending operation would be permitted that violated a 'borrow lon to 'lend short' policy.

Government mints might again adopt a constitution arrangement and perform 'free coinage' for whoever brought silver, gold or copper bullion. Producing various size coins all stamped with materia weight and purity. UNDER NO CIRCUMSTANCES would any given quantity of any material be allowed to acquire a NAME such as 'Continental Dollar' or 'Dollar', or symbol such as ($) for bookkeeping purposes UNDER NO CIRCUMSTANCES would any bank be allowed to redeem with silver a certificate, check or any other claim unit specified redeemable in gold, or use gold to redeem any unit specified to be redeemable in silver etc., etc.. UNDER NO CIRCUMSTANCES would any entity government or private, be allowed to 'FIX' the relative values of any units of wealth for certificate redemption or for any other reason. All parities for all things would be a natural result of free market free enterprise operations.

> "Where freedom reigns, those who do not produce food directly, have to produce wealth or perform service to exchange for it."
>
> Economic Truth #21 "Money" the greatest HOAX on Earth"

Any exchange between producers involving an element of time between acceptance and redemption of a unit of 100% redeemable certificates, subjects the bearer to the risk of parity change of the 'wealth accepted' (supply) by proxy and the 'wealth or service offered' (demand). 100% redeemable certificates can never be the thing it is a 'claim check' for (the certificate cannot be the (supply) and therefore can only represent that thing by proxy.

Since the thing it represents may be used as a medium of exchange, for instance: gold if the certificate is redeemable in gold (gold is the supply redeemable on demand). The gold is the medium of exchange and the certificate is a token representing it and acting as a claim check for it. The certificate itself is no part of the medium of exchange (gold)! If the bearer of the 100% redeemable certificate is satisfied to hold the proxy claim check (for gold on demand) and hasn't any concern over its validity or the ability of those who issued it to redeem it, all well and good, it is the holder's prerogative! To accept or refuse the 100% redeemable certificate in exchange should be the producer's choice just as he has a choice to accept or refuse any type of check, and for whatever reason he may fancy.

For those producers who do not wish to accept promissory notes and checks there should be certificates and coin available that is full comparable parity itself, during exchanges. These should be coins minted by government or in private mints with their correct material, weight and purity stamped on them. To protect the coins from 'shaving' or 'dusting' practices of the past (debasing techniques) they should be encased in clear plastic, perhaps with a chemical enclosed also, that would cause a color change in the plastic if the chemical becomes exposed to air. Such an arrangement would immediately make it evident if the plastic envelope had been tampered with and also indicate when it should be 'replaced' to prevent wear of the coin enclosed within. The plastic coating would in no way impair the ability of Coin Vending or bank equipment electronics from checking the validity of the coin's precious metal.

Precious metal woven into a cloth, encased in plastic exactly as described above, printed with material, weight and purity of the cloth could be a form of sheet wealth with full comparable parity for exchanges. All parities for all coinages and sheet wealth would be determined by the operations of the free market as a natural result of the free enterprise exchanges that developed.

The precious metal coins and sheet wealth would be the private property of the individual holder to do with as he or she pleased. They could be melted, dissolved, saved, consumed or used as mediums of exchange. New coinage or sheet wealth would come into existence when individuals brought precious metals to the Government Mints to be fabricated, as a free service of government to its taxpayers or for a modest fee to the individual requesting the minting. Any number of different metals could be used and their eventual numerical volume of units would be determined by their popularity with the people as mediums of exchange or wealth storage units.

Using precious metal coins, 100% redeemable certificates and sheet wealth simultaneously as mediums of exchange would guarantee maximum facility for exchange of goods and services in the market place. Any exchange value (parity) changes that developed between them would be real and correct because of having been determined by free enterprise in a free market.

If the legal tender acts were rescinded and the environment envisioned above where to come to pass, with it would come the greatest prospect for progress ever to be seen on Earth. Without the corruptive influence of "money" the policies of government would be

directed by the wealth producing public. The laws that would prevail would be those that protected free enterprise and assured just reward for creative and progressive effort. With the true cost of running government being paid by the people with taxes equal for each and all as per the Constitution, there would be no 'Income Tax' penalty for ingenuity and extra effort. Without restrictions on competition and taxes on improvements the public would produce as never before. Those who are handicapped or in any other way unable to produce would have the benefit of a return of volunteer supported charities, that would flourish, as they did before income tax and social security, instead of Government sponsored, freedom robbing, welfare. The standard of living would rise as the cost of living fell and we would enter an age of progress and plenty. As it is we are seeing the work force diminish daily and the G.N.P. in real terms shrinking.

Eventually the loss of production will generate the beginnings of a famine in the world and the onset of underground free markets (which government will label 'black markets'), then rapid deterioration of freedoms along with ever increasing government control over every phase of public endeavor.

The solution given here would return to the public the greatest portion of restitution for the expropriation of wealth that has taken place. If the Achilles Heel is ignored and the situation is allowed to continue its deterioration the final outcome will be a deflationary exchange of three or more places to the left or total economic collapse.

ABOUT THE AUTHOR:

MERRILL M.E. JENKINS SR. M.R. * MONETARY REALIST

Merrill M. E. Jenkins Sr. M.R.* Had over twenty years of effort devoted to the creation of electro-mechanical devices used by the Automatic Vending Industry for the detection and rejection of counterfeit coin and paper currency before he discovered the fallacies of U.S. paper and metal tokens. He has devoted almost all his time since June 24, 1968 to alerting the U.S. citizen to the most unbelievable world monetary upheaval that is inevitable in our future. His first book:

"MONEY" The Greatest HOAX on Earth

was a text book and extremely detailed for those who desire a scientifically accurate, in depth, knowledge of "MONEY" - what it is and isn't. After countless letters to officials in many branches of government, all fruitless, Mr. Jenkins wrote the IRS and requested return of all "income tax" collected or accepted from him since June 24, 1968. Some one hundred sixty pages of that correspondence with officials including all letters to and from IRS are reproduced in his second book:

Everything I Have Was "T H E I.R.S."

After several attempts to be a witness for defendants in cases involving IRS "entrapment" and being refused the right to be a witness (in violation of the Constitution) he decided to write an expose of I.R.S.. This third book is entitled:

I.R.S. "Indicted" for Fraud & Extortion

To make his stand more understandable to everyone (Mr. Jenkins has heard every insult and accusation of TRAITOR you can imagine) he decided to write his fourth book:

FREE MONEY

which explains in very simple language the exploitation of the people as a whole by the few clever ones that ENJOY THE FREE LUNCHES we are told are not available. It discloses the justification for all producers to avail themselves of FREE MONEY.

Mr. Jenkins does not wish to create trouble for the United States, BUT that is all he can see in store, if the U.S. does not return immediately to operating within the parameters of the Constitution. He is not a TAX PROTESTOR or TAX RESISTER, his stand is concerned with being forced to fill out forms with information he cannot, and the officials will not, verify.

Mr. Jenkins calls himself a Constitution Conservation Consultant and has registered himself with the proper agency of government as THE MONETARY REALIST. His intentions are to use whatever legal and lawful means, that are still available to him, to alert the public of the dangers spawned by their unawareness of the blatant deviations from the chains of the Constitution being exercised daily.

For information on how to obtain the above mentioned books send a stamp to:

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